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Heads Investment Group

Henry Eden Langford, general manager of Chartered Trust Co., this week becomes president of the 34-year-old Dominion Mortgage & Investments Association, which includes in its membership 26 insurance companies, 16 trust companies and 11 loan companies whose combined assets totaling billions of dollars provide a vast pool of money for loaning purposes.

THE NATION'S BUSINESS

Sensible Accounting Is Taxpayers' Due

Auditor-General Watson Sellar has made a proposal that could save the taxpayers of this country a good deal of money and would give them some really effective control over future expansion of government services. Briefly Mr. Sellar suggests that certain government divisions operate on the same profit and loss system which now applies to ordinary business.

Mr. Sellar's proposal is in line with the repeated recommendations of the Citizens Research Institute of Canada and with the broad principles laid down in the famous Hoover Commission Report to the United States Government. Both would have public administration placed on a performance basis. Under this government budgets would clearly show what the money is wanted for; public accounting would show what the taxpayers get for the money spent.

Before the public accounts committee of the House of Commons Mr. Sellar urged that those government bureaus and agencies which have considerable revenue—the Patent Office, Canada Gazette and Board of Grain Commissioners are examples—should have their expenditures matched directly against their revenue.

At present with these agencies, and in fact with all federal government departments, there is no real connection between public moneys coming in and public moneys going out. In most cases rent is charged to the Department of Public Works and other expenses come out of special appropriations, in some cases, several appropriations, from entirely different sources. Direct revenue received, on the other hand, goes into the consolidated revenue fund.

Under the circumstances it is difficult and often impossible even for an expert accountant to make a reasonable estimate of the real cost or value of the services these various government offices perform. There is little incentive to operate economically, to check waste or unnecessary expansion.

The new system might bring to light services which departments consider important, but which, when tested by the public willingness to pay for them, might be found to be unnecessary or extravagantly costly.

Mr. Sellar has given us a starting point for basic reform in government financing. His proposal should get serious and immediate consideration.

• • •

Let's End The Annuities Subsidy

Canadians should watch Ottawa carefully to see what it does about amending the Annuities Act. Here is one of those innocent-looking situations so favorable to schemers who hope to "slip something over" when Parliament's back is turned.

We don't want the hidden subsidy game continued and perpetuated.

To do so is entirely unsound public policy.

What hidden subsidy? The Dominion treasury absorbs all the administrative expense on Dominion annuities which are sold at less than cost. Under such circumstances, of course, sales were for a long time very large, despite the inflexible character of the contract, no cash values, etc.

For many years the Annuities Branch offered contracts so far below cost that many insurance companies practically ceased issuing new contracts except where benefits over $1,200 (the maximum allowed under the Act) were required.

In 1948, amendments to the Act introduced a sounder rate structure but the taxpayer still paid for the administration. Dominion annuities still sold below cost even though the rates were put very much higher.

But not all the changes proposed in 1948 went through, and it is for the purpose of implementing these other ideas that the Act is scheduled to come up for review this session.

These further changes it is understood would enable the Annuities Branch to offer contracts with all the attractive flexibility of those offered by the life insurance companies — and at less than cost. This would put most of the annuity business in government hands.

The Prime Minister and most of his colleagues have time and again asserted their belief that government should mix in business as little as possible; that the health and development of this country will best be served by private enterprise.

Then let them follow that policy with respect to the Annuities Branch, hidden subsidies, etc.

Actually, this is no time to be doing anything with the Annuities legislation.

The whole question of old age security is supposed to be getting thorough examination at Ottawa. A Parliamentary Committee has been put on the job of working out an intelligent, integrated program.

It is as part of the over-all old age security program that the annuity question should be considered. If Canada adopts a federal system of contributory old-age pensions, the Annuities Branch will have lost its one conceivable reason for existence except in skeleton form to handle the business already written and perhaps for people not covered in the new scheme.

The whole annuity question should be deferred until the over all plan is formulated. Then the life companies should be entrusted with looking after those who want and can afford to purchase additional protection for old age.

Rigidly supervised by government and fiercely competitive they can be depended on to serve the individual's interest meticulously and well, and the present iniquitous hidden subsidy system will be eradicated.

Will This U.S. Move Cut Customs Tangle?

Move to Simplify Procedure Given Chance to Pass Congress This Season—Realistic Approach Would Encourage Imports

By KENNETH R. WILSON

WASHINGTON (Staff) — The Customs Simplification Act which went officially to Congress at the weekend is hailed here as the most significant tariff legislation introduced into the United States in the past 16 years.

The new act aims to remove customs red tape—the most serious obstacle in the U. S. Tariff Act, apart from barriers represented by tariff rate schedules and classification complexities. It is comparable in scope and importance to the original Hull trade agreements program of 1934.

The new legislation is rated so highly here, that even conservative and usually pessimistic sources grant it a better-than-even chance of being passed and approved by Congress this session. There is to be a very concerted drive by the administration and by a wide range of business organizations to get this approval in the shortest possible time.

If this can be done, it is believed the U. S. will have given valuable and convincing evidence of its desire to close the dollar gap at a high rather than a low level —that is, by encouragement of imports. If approved, the proposed legislation will go a long way to implement promises made by the U. S. when it signed the provisional charter at Geneva in 1947.

What Act Would Do

The new act proposes some two dozen legislative changes in present U. S. law respecting customs administration and procedure. It aims to: (a) simplify its operation; (b) reduce expense and delay incident to its administration; (c) eliminate inequities which add to the difficulty of enforcement.

It results from several years study and deliberations, stemming from an attack on U. S. practice made originally by Canada in 1946 prior to the Geneva conference. The original public exposé of this situation was made by The Financial Post in October, 1946. More recently, the question has been actively under review by the National Council of American Importers in New York and

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Endicott's Soviet Trip Toughens Ottawa Policy

(For a partial text of the Soviet press report on the interview with Dr. James Endicott, see page 7.)

By RONALD WILLIAMS

OTTAWA (Staff) — The blast External Affairs Minister Pearson fired at Dr. James Endicott last week is beginning to look like a lot more than just an isolated shot against Communist front activity..

The Post understands it was the first manifestation of an entirely new approach by Ottawa to the Communist problem. From now on, every time a Communist or Communist sympathizer starts shouting the odds, Ottawa, with words and facts, is going to try to cut the ground from under him.

There has been no change of view as far as outlawing the party, despite recent action along this line in Australia and now South Africa. But from now on, Ottawa is not going to be silent.

Heads "Peace" Movement

The Endicott incident is believed to have been the first expression of this hardened policy. To initiate the new approach, Ottawa selected the titular head of the Canadian "Peace" movement. (Mr. Pearson, after reading the Endicott statements as they appeared in the Soviet press, said: "A man who, professing honest motives and high ideals, goes among strangers and maligns his country with this kind of falsehood is beneath contempt. In a Communist society he would be beneath the ground.")

The Post also learned that all the expenses of Dr. Endicott and the other delegates, while in Moscow were paid for by the Soviet Government. In addition, each delegate received 200 roubles for pocket money. Current rate of exchange is about 3 roubles, 65 kopeks for $1. They were flown from Prague to Moscow in a Soviet military plane.

Dr. Endicott, a former United Church missionary in China, denies he is a Communist.

One son, Norman Endicott, a fourth-year student at the University of Toronto, is an official of the U. of T. LPP club. At one time recently, he was also organizer for one of the more important LPP clubs in Toronto.

Another son, Steve, was president of the U. of T. LPP club and is now in Vancouver trying to inject a little pep into the LPP youth movement there.

In commenting on Dr. Endicott's Moscow interviews, Mr. Pearson could have gone a lot further than he did, if he were basing his comment on the actual newspaper reports of what Dr. Endicott said in Moscow. (Dr. Endicott has since declared he was "misquoted" by the Soviet Press.)

The entire conference was covered in three columns. One whole column was devoted to what Dr. Endicott had to say. The chief spokesman at the press conference was a U. S. delegate, John Rogge, a former State Department official. But he didn't stick to the party line. He thought there were some freedoms left in the U. S. so he was dismissed with a single paragraph at the end of the Endicott story.

The same story, word-for-word, appeared in all the leading Moscow papers. This is taken here as further indication of how important the Soviet considered Endicott's views.

PRICES

Radiator antifreeze has been quoted higher in one brand for 1950 season. Selling $4.50 doz. 1 qt. cans, $17.54 doz. 1 gal. cans wholesale.

Canned goods prices should be steadier following this year's fruit, vegetable harvests, it's predicted. Tighter bank credit to canners across the country and stricter Ontario Marketing Act contract terms may reduce sizes of packs somewhat by restricting small packers, other things being equal. Restrictions are result of financial difficulties of some canners last season and before. Last season one canner folded up owing growers amount believed about $90,000. Another has had meetings with creditors over estimated $120,000 debts to growers, large debts to others including can makers. Big crop last year, distress selling helped press prices down. This year Ontario canners must pay up to growers on two-week basis unless they have special bank guarantees, under tomato, corn, peas new contracts. This may be in later contracts. Weather indicates possible poor pea crop. There are good stocks of many canned goods, so main effect may be steadying rather than raising of prices.

Shoes may go up in price. This due to tightening demand, supply situation in hides, leather. U. S. demand for hides will help raise prices through rest of year, it's predicted. Also, many formerly backward countries are consuming shoe leather in prosperous postwar years. Canadian supply of hides is feeling effects of heavy cattle exports to U. S. Price of shoes may be up slightly next fall, is Canadian Shoe Council opinion.

Chloromycetin, important antibiotic, reduced 25% by Parke Davis & Co. in Canada, this means company's price is now $12.85 per 16 capsule bottle

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UK Has Surplus On Trade Here; First Post-war

OTTAWA (Staff) — The long hard pull to achieve some sort of balance in Canada-United Kingdom trade seems to be getting somewhere.

When published next week, trade figures for March are expected to show a dramatic reversal in Canada-United Kingdom trade. For the first time in many years, Canada will show a deficit. In other words, the United Kingdom in March sold us more than we sold them.

This means that Canada at least, if only temporarily, has done what she promised to do: encourage and promote U K. trade. For March, at least, the trade scales were balanced.

At the same time, and just as important to the Canadian and over-all world trade picture, we have been raising our exports to United States and cutting our imports.

In the words of a senior government official: "Canada, so far this year, has been behaving like a perfect citizen of the trade world—selling more to U. S. and buying more from U. K."

January and February import figures have already been published. They show U. K. shipped in $48 millions last year; $52 millions this year. March figures will show an even sharper rise of $32 millions—for a first quarter total of around $84 millions as against $76.7 millions for the first quarter of 1949.

In the same period imports from U. S. dropped $15 millions. March imports are down further still. At the same time, exports are up in the first quarter from $350 millions a year ago to $420 millions this year. This is a net gain of $70 millions, and in over-

(Continued on page 3, col. 2)

U.S. Chamber's Fast Move Boosts Our Arms Chances

WASHINGTON — Canada's drive to win reciprocal arms legislation with the United States got a powerful boost this week when the U. S. Chamber of Commerce at its 38th annual meeting approved a public policy declaration calling for a new Canada-Defence security act "giving each country those powers necessary for military procurement as required for common defense."

The Chamber also recommended adoption of the "revolving fund" principle to balance payments between the two countries for purchase or exchange of military equipment.

U. S. Chamber support for new legislation to break the present arms deadlock across the 49th parallel, followed a meeting of the Canada-U. S. committee of the Canadian and U. S. Chambers held at Asheville, North Carolina, last week.

Cut Months Off Time

The committee approved a strongly worded legislation calling for a new legislative approach. Contrary to usual practice, directors of the U. S. Chamber, seized by the urgency of this matter, approved the committee resolution in Washington within a few hours of the time it was approved by the Canada-U. S. committee. They were thus able to place it before the Chamber annual meeting when it opened here on Monday, rather than wait several months as would normally happen.

The resolution said in part:

"Recent experience has demonstrated that additional legislation is necessary to permit satisfactory operation of reciprocal defense arrangements between the two countries. To this end we urge and recommend approval of Canada-U. S. defense security legislation giving each country those powers necessary for military procurement as required for common defense.

"We further suggest that the revolving fund principle be used in balancing payments for pur-

(Continued on page 3, col. 1)

Here's New British Trade Plan

To Set Up Toronto Clearing House to Boost Exports

By CYRIL BASSETT

A comprehensive clearinghouse for British trade promotion in Canada is to be set up in Toronto if everything goes according to plans finalized this week.

The centre will function as a focal point for trade promotion generally; as a market research centre for consumer goods manufacturers particularly; as a listening post for major opportunities in the heavy capital goods field; as a service centre for British traders and Canadian importers generally.

It will act in close co-operation with the existing U. K. Trade Commissioner services in Canada and with such bodies of businessmen as the Dollar-Sterling Trade Board and the Anglo-Canadian Trade Committee, but its emphasis will be on service to the individual manufacturer out to do a job in Canada and to groups of manufacturers in specific fields.

Sponsoring the plan are the Federation of British Industries, powerful "voice of British industry" with 6,000 individual firms and some 400 trade associations in its membership, and the British Export Trade Research Organization, formed just after the war by leading British industrialists as a co-operative market research organization.

Heads of both organizations — Sir Norman Kipping, director-general of the Federation and Roger Falk, director-general of BETRO — were in Toronto this week to give effect in their North American operations to a joint operational program decided on in London recently for all their overseas work.

As a result, both organizations, which already have Toronto offices will now work much more closely together and plan, eventually, to gather around them in one large central location in Toronto not only those trade associations having a Canadian operation or contemplating one but branch offices of major British concerns as well.

To End Overlapping

For both bodies and those who join them much overlapping of functions will be eliminated; it's hoped also that the British trade drive generally will benefit from a streamlining of business, as distinct from government, services which the plan is aimed at.

For BETRO, a stepping up of its market research work in Canada is anticipated. FBI henceforth will be doing an active selling job with its members on the merits of market research especially as an essential aid to dollar sales in this direction.

This will be welcome news to Canadian buyers who've long urged that one of the basic faults in the British consumer goods effort in Canada has been in its lack of market research as a whole.

While BETRO has been in Canada for two years now its operations have been on a modest scale, volume-wise, though it has had acknowledged success in breaking market barriers in many fields for those manufacturers who've used its services and followed through according to results.

One reason for lack of enthusiasm on the part of British business generally and the FBI in particular for BETRO has been a government finger in the BETRO pie in that the British Board of Trade has underwritten part of BETRO's operations.

The organization has now decided to break away from government support and stand on its own as a commercial venture.

Speaking to The Post of the FBI-BETRO plan for Canada Sir Norman Kipping said that the last six months had seen a decided upswing of interest in Canada by British business.

"Until quite recently," he said, "there was a general tendency to lump Canada in with U. S. as a market. Canada was therefore regarded as having all the difficult features of U. S. as a long term proposition. But that's no longer true. All through British industry you find careful planning with an eye on this market as a long-term proposition and now, more and more, as an eventual jumping-off point from which to get into the more difficult United States.

"There may be difficulties in consumer goods but it has to be remembered that the emphasis is shifting away from these goods as the important part of our overall trade with Canada to the much more valuable heavy capital goods."

New Copper Empire Emerging in Gaspe

Noranda's Huge Find Promises Big Development For Peninsula — Up To $20 Millions Seen—Other Companies To Participate

By GORDON M. GRANT

Canada's base metal industry now has another ace in the hole. It lies in a remote but accessible section of the mountainous Gaspe Peninsula, but close to ocean transportation to reach world markets. (See map page 3.)

The "ace" is the 50-million-ton copper deposit of the Noranda-controlled Gaspe Copper Mines. Right now, it looks like a $15-million to $20-million program to provide production facilities.

Other experienced mining groups have acquired neighboring properties and emergence of an entire new copper mining field is indicated.

No production plans have been finalized so far, but Noranda President J. Y. Murdoch declares: "It (the deposit) is of such a size we are bound to go ahead with it some day."

Those who heard Mr. Murdoch's enthusiastic comments at the Noranda annual meeting came away with the impression that the Gaspe property will secure the green light at a relatively early date.

Two other companies were already reported anxious to come in on the project. And at the present time investigations are being made of power, transportation and harbor facilities, metallurgy and mining methods. Final mill decision by Noranda will no doubt bring an upsurge of exploration and development of the whole area, since roads and other transportation facilities would be provided in the Noranda program.

A debenture issue is mentioned by Mr. Murdoch as a possibility for financing but how big a debenture issue might have to be has yet to be decided. If the property proves good enough, an offering of rights may be made to Noranda shareholders but only if world conditions and metal prices assure Noranda shareholders a decent return on their money, Mr. Murdoch pointed out. "We have to consider income taxes," he stressed.

Ore tonnage of about 50 million tons marks Gaspe Copper Mines property in Holland twp. as one of the larger base metal occurrences in Canada. Of this total, 35 millions tons outlined before the war averages only 0.9% copper — hardly interesting with copper selling prewar at little better than 10 cents a pound. But since the war, drilling has been in much better grade material with approximately 15 million tons added averaging 2% copper, The Financial Post is informed; over-all average grade is raised to about 1.23% copper.

Grade at 1.23% copper — about 25 lb. of copper a ton — marks the property as being on the lower grade side but many U. S. operations are based on about 1% copper and one or two are contemplating treatment of grades down to 0.6% copper.

While much of the Gaspe Copper ore located at Needle Mountain and nearby Copper Mountain will be available by open pit mining, it is expected that initial operations will deal with the large tonnage of 2% copper ore located in a lower layer of the Needle Mountain section. A shaft would be sunk for the mining of this ore. Besides the 2% copper ore at Needle Mountain there are 15 million tons of the lower grade located there; the balance of 20 million tons of the lower grade is established at Copper Mountain. The Copper Mountain deposit will likely be pretty well held in reserve, barring some major new development improving grade at this location.

Diamond drill exploration is proceeding and if further ore outlined stands up to the postwar average, the over-all profit potential of this huge new Gaspe Copper occurrence would be enhanced very materially. It already looks like another big "winner" for Noranda.

Inside News

End Jury System?

Should the jury system be abolished? Is it fair to ask 12 laymen to assess guilt on the basis of a welter of highly technical evidence the proper significance of which they cannot be expected to grasp? Post readers discuss a medico-legal expert's proposal that juries be abolished. The Question (p. 19).

Compton Adds $400

There's been a $400 improvement in the market value of the Compton investment portfolio. Compton's account manager gives the reasons, market action background. Managed Investment (p. 5).

Your Income Tax

Using your car for both business and pleasure? Then what expenses can you deduct for income tax purposes? The regulations and how they may be applied are discussed in another in The Post series, Your Personal Income Tax (p. 14).

The Welfare State

What's the "inevitable end" of establishment and extension of the welfare state? How does use of these services augment and strengthen controls by politicians and bureaucrats? How a distinguished European economist sees the problem (p. 18).

Record Utility Expansion

This is a record year in expansion for Canada's public utilities—$700 millions is going into big power, telephone, gas, transit and other projects. For the up-to-date picture, comprehensive tables, company-by-company reviews, the outlook—The Post's special report (pages 21 to 30).

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Move to Keep Means Test On Pensions Gains Ground

OTTAWA (Staff) — Already, with the Parliamentary committee on pensions but two weeks old, the conviction is taking root that no matter what old age retirement scheme the committee recommends, the means test will be a part of it.

It may be that the test will be liberalized considerably. But on the strength of what the committee has heard and studied so far, there seems little chance that it will be abolished. Yet when the committee was set up, it was almost a foregone conclusion that the means test would be discarded.

After only a quick look at the schemes in other countries and a closed peek at the estimated costs of a no-means-test pension given to the House recently, a majority of the committee members are believed to have already made up their minds that Canada just can't afford to drop the means test.

Astronomical cost is the biggest factor in the changed opinion. For example, Health Minister Martin told the House it would cost $660 millions in 1951 to give everyone $50 a month at 65 without a means test: by 1971, $978 millions. Against this, today's costs with the means test at 70 are around $135 millions.

In the next week or so, the argument that there has to be some sort of a means test will likely be strengthened considerably. It is understood a public service agency which might be expected to plump for abolition will submit a brief which will at least urge the committee to go slow; it may come out flat-footed against ending the test. Another surprise may be a declaration by this same body against a contributory scheme. One of the most influential persons behind this brief is known to favor paying for pensions through direct taxation as in the case of family allowances.

If and when this brief is presented, the feeling already developing is expected to crystalize into a belief that our present system, if liberalized and extended, is not so bad. Out of it might emerge something similar to the plan advanced by Ottawa during the unsuccessful 1945 Dominion-Provincial conference. That would have given pensions to everyone at 70 regardless of means; and to anyone at 65-69 who could qualify under a liberalized means test.

Pace of Business

Building permits issued by 507 municipalities in February totaled $33.4 millions, a slight increase from $30.3 millions the month before.

Department store sales fell 2% in week ended April 22 as against corresponding week last year. Down in other provinces, sales were unchanged in Ontario, up 11% in Quebec.

Carloadings were 71,908 cars for week ended April 22 against 69,042 previous week, 73,840 same week last year.

Sawn lumber production east of the Rockies was slightly lower in February than same month of 1949. Total dropped about 0.4% to estimated 178.8 million fbm. Alberta, P.E.I. rose 21% and 25%. Sawn lumber and tie production in B. C. in February was 7% below corresponding figure last year. B. C. shipments rose almost 22%.

Egg production has run close to 1949 level so far this year. Net production in March was estimated 34.8 million doz., against 34.6 million doz. same month year before.

Civilian labor force in March totaled 5.108 million persons, including 101,000 in Newfoundland. Compares with 4.899 million persons for nine provinces a year ago. Excluding Newfoundland, civilian labor force is 108,000 greater than year earlier.

Net farm income from farming operations in 1949 was down for Canada, excluding Newfoundland, from record level of 1948, but still above other years. In five provinces, net income increased over 1948. Preliminary estimate places national total at $1.537 millions, down 4%. The Maritime provinces, Quebec and Saskatchewan showed gains.

Natural gas production in January set an all-time monthly high. Total was 9.5 billion cu. ft., compared with previous record of 8.1 billion cu. ft. previous month. January, 1949, output was 7.9 billion cu. ft.

Crude petroleum and natural gasoline production in January was 1.9 million bbls. compared with 1.78 million bbls. previous month, 1.35 million bbls. year earlier. January output two years ago was 77,639, making annual increases about equal. Alberta's share for January, 1950, 1.84 million bbls.

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EATON'S

ABOUT YOUR TAXES **By STUART THOM, LL.B.**

Confirm U. S. Visitors' As Non-Residents Status

Summer visitors from the United States have had their non-resident status for income tax purposes confirmed by a recent Tax Board decision. Whether the Department was deliberately aiming at the hundreds of Americans who own and occupy summer homes in Canada is an open question but the effort to tax Captain Meldrum, Master of the "Gypsum Queen" and variously of New York City and Falmouth, Nova Scotia came perilously close to raising a first-class rumpus.

The question of residence is one of the more difficult that arises under the Tax Act. The complexity of the problem is evidenced by the fact that in both recent decisions of the Tax Board on the subject there has been a strong dissenting opinion.

In Meldrum's case, the appellant originally came from England and took up residence in Nova Scotia. In 1931 he moved to the States for business reasons but never lost his interest in Canada and in 1941 bought a house in Falmouth in which first one and then a second married daughter lived. The appellant paid the taxes on this property and it was his custom to spend his holidays living in the house in two rooms which in an informal way were reserved for himself and his wife. During the remainder of the year he was able to snatch short visits as his ship was lying over in nearby Hantsport. He was assessed as a resident and taxed accordingly.

The majority of the Board allowed his appeal on the basis "that to hold otherwise would be a straining of the meaning of the words used in the Act to a point unjustified and not intended by Parliament." They were fortified in this interpretation of Parliament's intentions by the comments of two Supreme Court Judges in Thomson's case where, however, the facts were somewhat different.

We can all say a pious amen to the Board's decision, but Mr. Fisher's dissent based on a close analysis of decided cases is persuasive. If the Department adopts an aggressive attitude to these border-line cases, there may yet be some interesting results.

* * *

Claim It Was Gift, Not Loan To Spouse

In Blumenthal's case the appellant, a married woman, operated a retail haberdashery in premises rented from a limited company. Her husband held practically all the shares of this company which was admitted to be a personal corporation. He had acquired these shares with $25,000 which had been either loaned to him by his wife as he claimed or given to him as was found by the Board.

On the Board's finding, it was a clear case of a transfer of property between spouses and under Section 32 (2) the wife was taxable accordingly (in the new Act the section is 21 (1). The implication of the judgment seems to be that had the money been loaned between the spouses it would have taken the case out of the Section.

CLASSIFIED ADVERTISEMENTS

Classified ads cost 8c per word and figure for each insertion. Minimum charge $2.00. Add six words when box number is required. When replies are to be mailed to advertiser add 15c. Classified ads payable in advance. Contract rates on application.

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AN ESTABLISHED Food Manufacturer requires $75,000.00 for expansion purposes, to be secured by 20 year debenture with interest payable quarterly and principal amortized over last ten years. Full information upon enquiry to Box 169, The Financial Post, Toronto.

How We Stand on U.S. Dollar Reserve

Towers Sees Devaluation Aid to Canada, But Time Needed

Current Account of the Canadian Balance of International Payments

Revised Statement for 1948 and Preliminary Estimates for 1949
(millions of Canadian dollars)

	All Countries 1948	All Countries 1949	United States 1948	United States 1949	United Kingdom 1948	United Kingdom 1949	Other Sterling Area 1948	Other Sterling Area 1949	Other ERP Countries 1948	Other ERP Countries 1949	All Other Countries 1948	All Other Countries 1949
Current Receipts												
Merchandise exports (adjusted)	3,030	2,989	1,508	1,521	703	701	293	300	296	246	230	221
Gold prod. available for export	119	139	119	139	...	...	...	...	...	...	...	...
Tourist expenditures	279	288	267	270	9	11	1	2	2	4	...	1
Interest and dividends	70	83	37	40	9	9	4	4	6	14	14	16
Freight and shipping	336	293	131	120	105	89	34	30	32	28	34	26
Inheritances and immigrants' funds	84	66	18	20	52	34	2	1	8	8	4	3
All other current receipts	229	212	167	151	44	46	4	3	4	4	10	8
Total Current Receipts	4,147	4,070	2,247	2,261	922	890	338	340	348	304	292	275
Current Payments												
Merchandise imports (adjusted)	2,598	2,696	1,797	1,899	287	300	192	187	75	79	247	231
Tourist expenditures	133	191	113	164	12	16	4	4	3	6	1	1
Interest and dividends	325	390	267	325	50	55	1	1	5	7	2	2
Freight and shipping	279	255	213	193	34	32	7	5	15	16	10	9
Inheritances & emigrants' funds	50	53	37	39	7	10	1	2	1	1	4	1
All other current payments*	310	305	213	235	46	34	4	6	22	8	25	22
Total Current Payments	3,695	3,890	2,640	2,855	436	447	209	205	121	117	289	266
Current Account Balance	+452	+180	—393	—594	+486	+443	+129	+135	+227	+187	+3	+9

*Including payment for official relief shipments of $19 million in 1948, of which $13 million was to "Other ERP countries" and $6 million to "All other countries."

Source: Dominion Bureau of Statistics.

Although Canada's reserve position improved again in 1949, the increase was less than one quarter that for 1948, the Foreign Exchange Control Board's 1949 annual report reveals. Official holdings of gold and U. S. dollars increased by $119 millions in 1949 as compared with an increase of $496 millions in 1948; in 1947 they had fallen by $743 millions.

The increase brought Canada's holding of gold and U. S. dollars to $1,117.1 millions (U. S.) at Dec. 31, 1949, more than double their Dec. 31, 1947 level of $501.7 millions but still 26% under their postwar high of $1,508 millions at Dec. 31, 1945.

The most important change in 1949 in the items affecting the official reserves was an increase of $201 millions in Canada's current account deficit with the United States. This accounted for most of the decline in Canada's over-all surplus on current account from $452 millions to $180 millions. The actual figures for current account and capital account are shown in the accompanying table.

There was relatively little change in the aggregate value of either exports to, or imports from, the sterling area and "other countries" in 1949 or in the rate of lending by Government of Canada to overseas governments. On balance Canada's net earnings of convertible exchange from the supply of goods and services to countries other than the United States declined from $703 millions in 1948, to $654 millions in 1949. Had it not been for the European Recovery Program, Canada's exports to, and receipts of convertible exchange from, the countries concerned would have been lower, Chairman Graham F. Towers states in the report.

Only other large change was in capital account where there was a drop from $150 millions in 1948 to nil in 1949 in borrowing by Government of Canada in the United States. In 1949 the Government borrowed only sufficient to provide for the retirement of certain security issues guaranteed by it and payable in United States dollars.

Effect of Devaluation

"The emergence of the new structure of overseas exchange rates is a development favorable to Canada," Mr. Towers declares after outlining changes made in the international exchange rate structure by devaluation on Sept. 19, 1949 and subsequently.

"Since the likelihood of our being able to continue to sell a reasonably large volume of goods to sterling area and Western European countries depends to a great extent on their ability to export more to this hemisphere, we must welcome a step which should enable them to increase these exports. Moreover, the improved competitive position of sterling area and Western European producers as compared with United States producers will provide a price incentive for Canadian importers to shift from United States to overseas sources for their imports. To the extent that such a shift occurs our balance of trade with each of the areas will be improved.

"The absence of geographical balance in our trade lies at the root of most of our trade and foreign exchange problems. Our large surplus of exports to sterling area and Western Europe makes it difficult for us to maintain our export markets there, and our large surplus of imports from the United States constantly tends to make us short of United States dollars. By creating an international exchange rate structure favorable to a better balance between Canada and each of these areas the devaluations of 1949 should assist in our trade and payments problems."

"It is therefore in the general interest that the greatest possible efforts should be made in Canada and abroad to take advantage of these new opportunities," he stated.

Noting the main purpose of the exchange rate changes was to stimulate exports to the Western Hemisphere, Mr. Towers points out that time and effort are required for new and enlarged channels of trade to be opened up.

In the first place goods must be available and "to accomplish the desired result of achieving a greatly expanded flow of exports to the Western Hemisphere, the overseas exchange depreciations of last September require to be buttressed by additional measures. The responsibility for these additional measures lies both with the overseas countries and with the Western Hemisphere countries."

Overseas countries should curb inflationary tendencies. Dollar countries must ensure "that such improvement in the competitive position as may be gained for sterling area and Western European producers by devaluation is not offset by protective arrangements of one kind or another."

The drop of $272 millions in 1949 in Canada's surplus on current account was divided about evenly between commodity trade and other current transactions. Almost all of the change was in U. S. transactions.

The volume of Canada's exports in 1949 was some 5% less than in 1948 while there appears to have been little change in the volume of imports. Since the average rise in export prices and in import prices was about the same there was no appreciable change in Canada's commodity terms of trade in 1949 taken as a whole. Towards the end of the year, however, there appears to have been some deterioration in the terms of trade, Mr. Towers said.

Export Volume Up

The volume of exports of wheat, newsprint, some non-ferrous metals, and a few types of fully manufactured goods, notably farm equipment and railway rolling stock, increased substantially in 1949. On the other hand, exports of many other agricultural products, especially of meats, of most other forest products, and of manufactured goods generally were substantially reduced. As in 1948 the trend in 1949 was towards an increase in the relative importance of a few unprocessed or only partially processed staples in total exports.

There was an appreciable decline in imports of coal and petroleum in 1949. Otherwise imports generally were higher, with the largest increases occurring in fruits and vegetables, motor vehicles and parts, and farm equipment.

There was relatively little change in either the destination of Canada's commodity exports or the source of Canada's commodity imports in 1949 from 1948.

DESTINATION OF CANADIAN COMMODITY EXPORTS

	U.S.	U.K.	Other Sterling	Other ERP	Others
	%	%	%	%	%
1935-39	37	37	10	7	9
1947	39	28	13	12	8
1948	50	23	10	10	7
1941	51	24	10	8	7

SOURCE OF CANADIAN COMMODITY IMPORTS

	U.S.	U.K.	Other Sterling	Other ERP	Others
1935-39	61	18	11	6	4
1947	77	7	6	3	7
1948	69	11	7	3	10
1949	70	11	7	3	9

Our U. S. Account

An examination of the current account with the United States shows the increased deficit in 1949 was spread widely over the individual items. The three main items in the $201 million increase in U. S. current account deficit were:

(1) An increase of $89 million in deficit on commodity trade as a result of a rise of $13 million in exports and $102 millions in imports. The latter reflected relaxations of import restrictions and improvement in U. S. supplies of steel and steel products.

(2) A decline of $48 millions in surplus on tourist account due entirely to an increase in Canadian travel expenditure in the United States. The greater part is due to a relaxation of the provisions governing the importation into Canada of tourist purchases.

(3) A $55 millions increase in the deficit with the United States ($285 millions) on interest and dividends account due to larger transfer of profits by Canadian subsidiaries and branches of U. S. companies, reflecting increased 1948 earnings.

Fresh inflows from the United States of funds for direct investment are estimated at $88 million in 1949 compared with $71 million in 1948 and $48 million in 1947. Much of the 1949 inflow was connected with petroleum developments in Western Canada. As in previous years the bulk of this inflow took the form of Canadian dollars acquired in the unofficial market.

In 1947, 1948 and 1949 a substantial part of the transactions in the unofficial market consisted of transfers of Canadian dollars from United States investors who reduced through sale or retirement their portfolio holdings of Canadian securities to other United States investors who made direct investments in Canadian industry, Mr. Towers states.

United Kingdom Trade

The value of both exports to and imports from the United Kingdom and other sterling area countries remained substantially unchanged in 1949. There was also little change in the value of imports from other ERP countries but exports to them dropped appreciably, largely due to reduced sales of ships.

Nearly all reductions resulted from desire of these countries to limit use of dollar resources to essentials. "Since one of the principal ways open to them of increasing their dollar resources and thus of enabling them to increase their purchases in Canada is to sell more here it is a matter for some disappointment that their sales in 1949 did not increase more than they did," he said.

F.E.C.B. had an excess of revenue over expenditure of $8.4 million in 1949 ($8.6 million in 1948). Over-all cost of administration was $1,388,080 ($1,334,930).

IN PARLIAMENT

Your Digest of What Parliament is Discussing and Planning

Parliament plodded through that budget debate as Opposition members tried to get down to cases on economy in government department administration. PC's failed to sell the government on a committee to examine all estimates in advance, an idea not raised for the first time.

* * *

Auditor-General Watson Sellar told House Public Accounts Committee no procedures had yet been set up for parliamentary approval of disposal of surpluses arising from price support. Gifts abroad and at home from these stocks to date were illegal, he believed, without parliamentary endorsation. If surpluses were given away, they could be given to those needing them in Canada, he suggested. He also warned gifts could disorganize markets.

* * *

Mr. Sellar's testimony raised more than issues about disposal of surpluses. Prime Minister St. Laurent criticized press reports of testimony as giving impression a government employee had expressed policy opinions. PC leaders assured PM, who didn't hear testimony, that reports were correct. Not a civil servant but responsible to Parliament, Mr. Sellar could advise Parliament within limits, they claimed.

* * *

George Drew made an earnest appeal for outlawing of Communism. The ban might drive Reds underground, but would make it harder to poison the minds of youth, attract fellow travelers, he claimed.

* * *

Communist-influenced unemployed agitators got bounced after an unusual interruption of the House from visitors' gallery.

* * *

Size of government publicity services is under Opposition fire. George Drew criticized number of times ministers have their pictures taken for distribution in pamphlets, etc. Was it "providing the public with service . . . or providing political service for the minister whose face has been so appropriately portrayed" showing love for his duties?

* * *

CCF'er Ross Thatcher expressed concern for the size of this year's estimates. He asked that Finance Minister Abbott be specific about economies he says he has been practicing in the last year. "In most departments . . . it looks to me as though spending is going on unabated."

* * *

International action to prevent future flood devastation in Manitoba's Red River Valley is being studied, External Affairs Minister Pearson assured Rene Jutras (L., Provencher).

* * *

Bill of rights and also curb on "irresponsible" use of injunctions on striking unions were needed, Canadian Congress of Labor told Senate Committee on Human Rights. Premier Duplessis should be asked to testify about his province's padlock law and human rights, a civil rights delegate told Senators.

* * *

Voluntary check-off could make for lazy trade unions, Labor Minister Mitchell said. "I remember the day when we were fined if we did not attend trade union meetings. Today they do not go to the union hall to pay dues; the employer does that for them."

* * *

Senator Euler isn't letting margarine's cause die, announced a new campaign for removal of the sales tax.

* * *

Government Leader Wishart Robertson moved a special committee to investigate speeding up Senate business, especially divorce cases.

* * *

Alberta Natural Gas Co. will give full consideration to use of the Yellowhead Pass route for its natural gas line, if chartered, House railway committee was promised by company spokesman.

* * *

P.C.'s are expected to prolong the session by grilling ministers on departmental expenses. Talk about cutting government expenditures isn't just talk, according to E. D. Fulton (PC, Kamloops). He claims 50% of a total of $24 millions budgeted for publicity and advertising, traveling expenses of all departments; the "sundries" account of the finance department, could be saved.

* * *

House vote upheld Transport Minister Chevrier's request that retiring allowance to R. C. Vaughan, ex-CNR president, be kept secret from members. Government was paying money out in large sums to "retired brass," charged G. K. Fraser, (PC, Peterborough West), claimed Vaughan got big grant in addition to pension.

* * *

Mr. St. Laurent denied giving private assurances Canada's next governor-general will be a Canadian.

* * *

Pensions committee learned thousands of Canadians don't draw partial old-age pensions they could have.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Tandy Advertising Agency Ltd., Toronto, appoints Warren H. Wilkes vice-president and director; Robert C. Morgan, secretary and director.

* * *

McKim Advertising places in Toronto dailies campaign for civic Department of Street Cleaning supporting "Beautify Toronto" compaign.

* * *

McConnell, Eastman & Co. appointed by Sherbrooke Machineries Ltd.; full page insertions in Canadian, U. S. pulp and paper publications will stress new equipment installations.

* * *

McKim Advertising placing in Ontario farm publications copy for Ontario Department of Agriculture campaign to promote better agricultural practice and conservations. Begins in May issues.

* * *

Erwin, Wasey of Canada reports special auto radio campaigns for Rogers Majestic starts with May issue of national magazines, weekend papers; multiple insertions scheduled in each issue. Two-color promotion in trade papers will supplement schedule. Portable radio compaign will break month later in approximately same schedule, with multiple insertions for part of media list.

* * *

Heggie Advertising Co., Toronto, appointed for Knechtels Ltd., Hanover, Ont., makers of Homewood furniture and Lane cedar chests. Fall plans call for full pages in national womens and home magazines, in English and French.

* * *

Aiken-McCracken Ltd., Toronto, to direct advertising for Supersilk Hosiery Mills, London, Ont.

* * *

Alford R. Poyntz Advertising Ltd. handling extended campaign for Anderson Buick Pontiac Ltd., Toronto; use dailies on GMC trucks and GM-built English Vauxhall, feature "case history" service.

* * *

Heggie Advertising Co., Toronto, appointed to direct advertising of J. R. Longstaffe interests including International Resistance Co. of Toronto; Copper Wire Products Ltd., Guelph, and Electronic Recorder Ltd., Toronto. Business publications and direct mail will be used.

3.95 to 8.95

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ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Anglo-Canadian Pulp & Paper Mills Ltd. (Quebec)—William E. Soles, a director.

Burroughs Adding Machine of Canada Ltd. (Windsor) —Charles W. Tapley (Montreal), sales promotion representative for Canada.

Campbell Soup Co. Ltd. (New Toronto, Ont.)—E. R. Renouf, general purchasing agent; E. W. James, C. M. Robinson, purchasing agents.

C. B. Powell & Co. (Montreal)—Frank F. Semmons (Toronto), joins firm.

Canadian Pacific Railway (Montreal)—James W. Stewart, assistant to general superintendent, Quebec district; Robert McEwen, assistant superintendent, Brownville division, N.B.; J. O. Johnston, superintendent, London division; Gerald Hiam, general freight traffic manager at Montreal; T. A. Donovan, assistant general purchasing agent, Montreal.

Corporation of Quebec Land Surveyors — Henri Belanger, Quebec city, president.

Dominion Atlantic Railway Co. (Montreal)—C. E. Jefferson, a director.

Donnacona Paper Co. Ltd. (Donnacona, Que.) — Harold Crabtree, director and board chairman; E. Howard Smith, a director and vice-president; J. Edouard Simard, a director.

Engineering Institute of Canada (Edmonton branch)—E. H. Wright, chairman.

Fruehauf Trailer Co. of Canada, Ltd. (Weston, Ont.) — Leonard C. Harland, vice-president and director of sales; Fernand Mercier, branch manager at Montreal; Donald R. Steel, sales manager for Canada.

Foundation Co. of Canada (Montreal)—L. J. McGowan, a director.

Gaylord Printing Co. Ltd. (Toronto)—Canadian interests purchased by Archie C. Caisley.

Gutta Percha & Rubber, Ltd. (Toronto) — Harold C. Walker, a director.

Gurney Industries Ltd. (Toronto) —E. Holt Gurney, board chairman; G. B. Beatty, president; H. W. R. Oaten, executive vice-president.

Household Finance Corp. of Canada (Toronto)—H. A. Manahan, branch manager at Regina (new); D. S. Fraser, manager at Medicine Hat; L. E. MacDonald, manager at Calgary (new); R. A. Pitt, manager at Charlottetown (new).

Harry R. Despard Adv't. Ltd. (Toronto) — Frank H. Barr, vice-president and general manager.

Hickey, Donaldson & Co. (Montreal)—W. Dow, A. B. Muir, partners.

Imperial Oil Ltd. (Sarnia, Ont.)—Trevor F. Moore, a director; M. L. Haider, a vice-president; D. W. McGibbon, treasurer.

J. S. Innes Ltd. (Leaside, Ont.)—John H. Clappison, sales manager.

Montreal Trust Co. (Montreal)—Lazarus Phillips, a director.

Montreal Real Estate Board—John Ogilvie McArthur, a member.

O'Keefe's Brewing Co. (Toronto)—Charles W. Buddo, sales manager; C. R. Jackson, assistant general manager.

Osborne & Lange Ltd. (Montreal) —Don W. Patterson, manager, casualty, fire and bonding departments.

Plate & Structural Steel Sales Ltd. (Toronto)—Charles Fisher, a director.

Penmans Ltd. (Paris, Ont.)—L. P. Robertson, a director.

Shawinigan Water & Power Co. (Montreal) — N. P. Woods, vice-president and treasurer.

Southam Co. Ltd. (Montreal) — John F. Hayes (Toronto), W. W. Southam (Montreal), directors.

Tees & Persse Ltd. (Winnipeg)—H. S. Davies, manager at Vancouver; E. McHugh, manager at Edmonton.

Tandy Adv't. Agency Ltd. (Toronto) — Warren H. Wilkes, vice-president and director; Robert C. Morgan, secretary and director.

White Motor Co. of Canada Ltd. (Montreal)—Charles L. Ware, manager, Ottawa branch (new).

Western Canada Breweries Ltd. (Winnipeg)—W. Ross MacKenzie, vice-president and general manager at Vancouver; C. C. Balfour (Winnipeg), J. H. Lawson (Vancouver), directors.

Obituaries

William Davey, 79, Ottawa, former general manager and director of Mortimer Ltd.

Sen. George B. Jones, 84, former president, Jones Brothers, Ltd., and director in other N.B. enterprises.

R. J. Wickham, 65, Montreal, president, Wickham & Wickham, a founder of Canadian Federation of Insurance brokers.

Holders Okay Increase Trans.-Television Stock

Shareholders of Transvision-Television (Canada) Ltd. at the special general meeting held April 6, 1950, unanimously approved an increase in the company's authorized common shares from 750,000 to 2,500,000 shares. The increase in capital was needed to enable the company to participate in the increased demand for television receivers, F. J. Seidel, president, explained.

INDEPENDENT ORDER OF FORESTERS reports new high levels in both insurance in force and total assets at the end of 1949. Insurance in force was over $133 millions, with assets at $48,331,574. The Society in 1949 celebrated its 75th anniversary and in reviewing the I.O.F.'s history President Robert Bigelow stated that payments to beneficiaries and members during the 75 years had totalled $175.6 millions while thousands of members and their families had enjoyed the benefits of "warm fellowship, family protection and fraternal activities." Payments to members and beneficiaries in 1949 were $3.4 millions with fraternal benefits paid $78.013. Insurance reserves totalled $39.5 millions. Surplus and other reserves on Dec. 31 were $7.1 millions.

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Northern Life Building
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London, Ontario.

U. S. Chamber Boosts Our Arms Chances

(Continued from page 1)

chase or exchange of military equipment between the two countries in the interests of a common defense policy."

Commenting on this action by the U. S. Chamber, Robert A. Bryce, president of the Canadian Chamber of Commerce, told The Post: "I believe this is a very important and constructive move on the part of the American body. It confirms a stand already taken by both groups last year but carries this a step further. It suggests a very necessary and proper line of action which I personally believe must be taken if we are to work out our common plans for defense of the North American continent.

Mr. Bryce is in Washington to attend the U. S. Chamber annual meeting. He addressed the opening session on Monday at which Senator Robert Taft gave the keynote speech.

The Canadian section of the Canada-U. S. committee which sponsored the reciprocal arms legislation is chaired by C. Gordon Cockshutt of Brantford, president of Cockshutt Plow Co. The committee meets twice a year — once in Canada, once in the United States.

On two previous occasions the committee has gone on record in favor of greater reciprocity in procurement between the two countries. But the Asheville resolutions goes further and is stronger than any previous committee pronouncement.

Look for It Here

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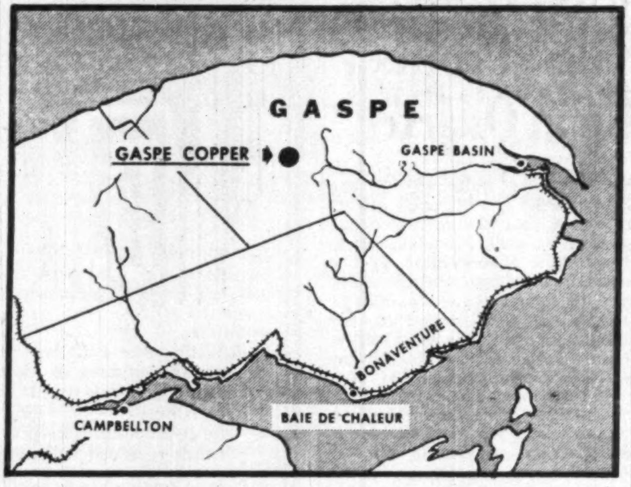

U. K. Sold Us More in March Than We Shipped to Them

(Continued from page 1)

all trade it shortens the gap by $85 millions.

Despite this market improvement, no one here is doing too much shouting. There are still plenty of ifs and buts.

For one thing, wrapped up in these figures are deliveries on a lot of orders placed in the post-devaluation rush; they may or may not reflect a current picture.

Then, a balance achieved for one month doesn't, of course, mean a balance throughout the year or in the future. However, it is believed that it definitely indicates a trend. But no one should multiply first quarter figures by four and jump to conclusions.

Also, the balance has not been achieved without some cost to Canada. U. K. sold us more all right. But we sold them less. Thus the balance was achieved at the cost of lower Canadian exports. Authorities here are happy some sort of a balance has been reached, but they would have been a lot happier if it had been on a higher level.

First-quarter figures show just how much it cost in terms of lower exports:

In 1949, we sold U. K. $149 millions; this year, $110 millions. In other words, an export loss of $30 millions.

However, there's a bright side to this too. Officials here believe there is a direct relation between lower exports to U. K. and higher sales to U. S.

For example, because shipments of bacon are lower to Britain, hog production in Canada is cut. This means Canadian farmers need less coarse grains for feed, leaving more for export to U. S.

The other cost factor is the effect on Canadian industry and employment.

Already, a number of industries have beaten a path to the Government's door asking for some relief against increasing U. K. competition. The loudest complaint has come from automobile industry.

However, in view of two recent government pronouncements it appears doubtful if the complaints will get anywhere.

Don't Look For Protection

The most recent was the significant reference in the annual report of the Foreign Exchange Control Board, published this week. It delivered a blunt warning to Canadian manufacturers against demanding some sort of protection from U. K. competition.

In his annual statement, Chairman Graham Towers states flatly: "If devaluation is to achieve its purpose of helping to attain a better balance in world trade, there must be greater competition in the North American market from overseas suppliers.

"This," he goes on, "will no doubt present problems but it was recognized in the joint statement issued at the conclusion of the conversations among . . . United States, United Kingdom and Canada . . in Washington last September that no satisfactory solution to the world trade problem can be found until sterling area and Western European producers have the minimum of difficulties placed in the way of their entering the North American market.

"The emergence of the new structure of overseas exchange rates is a development favorable to Canada," says the report. "Since the likelihood of our being able to continue to sell a reasonably large volume of goods to sterling area countries depends to a great extent on their ability to export more to this hemisphere, we must welcome a step which should enable them to increase these exports."

Warning From Pearson

Earlier, in a most important but virtually overlooked speech on trade at Hamilton, External Affairs Minister L. B. Pearson, issued much the same warning.

Said he: "The task (of re-establishing world trade) and reconciling interests is a terribly difficult one. If we are to succeed, and it is vital that we should, if we are to win the battle against the reactionary forces of Soviet Communism, we will need more vision and wisdom than the democratic countries sometimes show in their economic and financial relations with each other.

"Each of us may have to forego some immediate advantages for the longterm general good. To put it in concrete and Canadian terms — we, here, may at times have to forego winter lettuce to winter vacations in California. We may also have to watch imports from the U. K. encouraged by our government, compete successfully with our own domestic products."

Both these pronouncements came shortly after the loudest of the complaints of U. K. competition were filed here. However neither were "timed" to answer the beefs, The Post is told.

But they probably still reflect official government policy in the broad consideration of trade generally. However, there is a chance that some action might be taken to meet the complaints, at least in part.

There is a definite feeling, for example, now that U. K. has the advantage of devaluation, there is no longer any justification for the anti-dump waiver on certain items.

The first waiver list was published in 1948. Since then two or three others have been listed. In all cases, the action was taken to give U. K. manufacturers a "break" in the Canadian market. With devaluation, they no longer need this advantage, it is claimed. And furthermore, the dump measure would only hit a few commodities as matters stand today. This is a further argument being advanced for an end of the waiver.

However, manufacturers who expect that if the dump is restored, U. K. competition will end with it, are barking up the wrong tree, a senior official told The Post.

Waterous Net Down 35.7% For 3 Mos.

Net profit of Waterous Ltd., Brantford, Ont., amounted to $39,491 for the first quarter of 1950,—down 35.7% from the net profit of $61,380 in the same 1949 period.

Net profit for the first quarter, however, compares favorably with a deficit of $34,189, after write-offs, for the final quarter of 1949.

The number of directors was reduced from 10 to nine at the annual meeting last week with no change in the present directorate.

PRICES

(Continued from page 1)

against $17.12 price before. Part of general longer run downtrend in antibiotic prices as production expands. Penicillin quoted by one firm at $1.90 for 400,000 unit vial (one dose) in one form, around half price of couple of years ago. Chloromycetin, relatively high priced antibiotic till now, is used against fevers, postsurgical infections, boils, etc.

Butter prices have been finding new levels since the 5c. slash in the wholesale support price. Butter was retailing as low as 56c. lb. for first grade in Toronto, six cents below levels of a week before.

Soap won't show much effect at retail as result of removal of 5% excise tax. Cost reduction will amount to about 1/3c. cake at retail level, it's said. Reduction is about 40c. case toilet soap at wholesale level, one gross of cakes to case.

Ice cream along with prepared whipping cream, certain fresh milk products, got free of the sales tax. This won't necessarily reduce ice cream price; sales tax goes on special ingredients, raising other costs. Similar thing was done a previous year when tax went off jam, but went on pectin, stalemating saving for consumer.

Cocoa price outlook is matter of difference of opinion. Tight world supply of cocoa has been predicted, but others see only seasonal fluctuations. Raw cocoa markets have been firming with no reflection in end products, which may not feel effects at all, says Canadian Grocer (Maclean-Hunter).

Lead price jumped another ¼c. to 12 c. in this country following ¼c. hike to 11c. lb. New York. This second rise since reversal of downtrend in lead was caused by heavy buying after first rise to build up small inventories being held till then.

Wholesale prices in March moved up on the DBS index to 159.3, from 158.0 the month previous. March, 1950, level is 1.7 above March, 1949, index and just .3 points below peak of 159.6 hit in December, 1948. Here are some group indexes, with February figure in brackets: vegetable products, 145.0 (142.9); animal products, 166.8 (163.4); textile products, 162.4 (162.8); wood products, 191.5 (190.6); iron products, 178.6 (177.2); nonferrous metals, 137.2 (139.4) nonmetallic minerals, 140.0 (139.9); chemical products, 117.4 (117.6).

Residential building materials wholesale price index of DBS fell in March despite simultaneous sixth consecutive monthly advance of general building materials wholesale price index. Residential index fell to 227.0 from 227.4 month before. Lumber and its products dropped whole point from 320.8 to **319.8**; plumbing and heating equipment dropped from 180.1 to 179.4. However, general building materials rose to 205.1 from 203.5 month before. This put it at **.3 points** below March, 1949, and **.8 points** below peak of 205.9 in **October**, 1948. 1926=100.

THEODORE J. EMMERT — DEL S. HARDER — WALLACE H. CLARK — GEORGE H. JACKSON

Two new directors, Theodore J. Emmert and Del S. Harder, were elected to the board of Ford Motor Company of Canada, Limited at the annual meeting of shareholders this week. Re-elected as directors were Henry Ford II, Ernest R. Breech, Rhys M. Sale, Robert S. Bridge, J. M. Cochrane, and Gregory G. Kew. At a subsequent meeting of the directors, present officers were re-elected and in addition Mr. Emmert was elected executive vice-president; Wallace H. Clark, vice-president, industrial relations, and George H. Jackson, vice-president, overseas operations.

Officers re-elected are: Mr. Sale, president; Mr. Bridge, vice-president, manufacturing; Mr. Cochrane, vice-president, purchasing; Horace H. Greenfield, vice-president, sales and advertising; Mr. Kew, vice-president and treasurer; Frank G. Batters, secretary and assistant treasurer; and Gordon G. Dewar, assistant secretary.

Mr. Emmert joined Ford of Canada January 1, 1950, as a director of organization and development. Previously he was a director, the vice-president and assistant general manager of Canadair Ltd. at Montreal.

Mr. Harder, who is internationally known as an outstanding production man, is vice-president, manufacturing, in charge of all manufacturing and production activities of the Ford Motor Company in the United States. His career in the industry began in 1914 and since then he has held high executive positions with a number of the large automotive companies. Prior to joining the Ford Motor Company in December, 1946, he was president of the E. W. Bliss Company.

Mr. Clark has been with Ford of Canada since 1939, and for the past seven years has been responsible for industrial relations and personnel administration. He was named director of industrial relations in April, 1948. Mr. Jackson entered the company in 1916 as a messenger. He was appointed managing director and treasurer of Ford Motor Company of New Zealand, Limited, in 1935, and a year ago returned to Canada to become director of export. *

PIGOTT
MEN AT WORK

When you see Pigott men at work you see a team of experienced technicians and mechanics combining their skills with the precision of a championship team. You see field engineers, foremen, carpenters, masons and many other tradesmen under unified command, getting complex jobs done on time at low cost.

What you do not see, but equally important, is the organization behind them . . . expediters, draughtsmen, purchasors, yardmen, accountants . . . working at a smooth efficient pace that spells accomplishment. Supporting them is a plant of heavy labour-saving machinery for all purposes involving — yards — machine shops — maintenance crews.

Behind Pigott's men at work is three generations of experience and integrity on many of Ontario's greatest building projects.

That trained experience can be yours if you plan to build. It costs no more and may save a great deal of expense, worry and dissatisfaction.

The C.N.E. Grandstand in Toronto is one of the many important building projects which Pigott-man Jack Faichney has supervised. Like his father before him, Jack is a quarter-century Pigott-man, having risen from the ranks, gaining skill and experience on many of Canada's foremost structures. He typifies the experience and integrity of the corps of Pigott experts who have helped make this organization the leader in the construction field.

PIGOTT CONSTRUCTION COMPANY LTD.
Pigott Building, Hamilton
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INVESTMENTS THIS WEEK

Aluminium Com. Reaches New High, Outlook Good

Although the report to shareholders of Aluminium Ltd. by President Nathanael V. Davis contained some words of warning, investors generally interpreted it as favorable. As a result the price of Aluminium common was bid up to a new all-time high of $64½ a share early this week in a generally strong stock market. It showed a gain of $4½ a share in a week. Brokers say there does not appear to be very much stock around for offerings.

In Mr. Davis' remarks, investors specially noted the following factors which they regarded as favorable:

(1) The indication that volume of sales will attain a high level in the first half of 1950.

(2) Signature of a contract with U. K. authorities for a continuation of deliveries of Canadian aluminum to the British market in 1950. Sales to U. K. were well over half Canadian aluminum exports in 1949.

(3) The re-opening of three pot lines.

(4) If negotiations for power development on the Periboka River are successful, it will permit operation of production facilities which have been idle much of the time due to lack of power. This should favorably affect costs and profits.

(5) The company's aggressiveness in expanding the use and promoting new uses of aluminum. In 1949 the company completed several other programs for expansion of fabricating enterprises with a view to broadening the markets for the metal and for the company's ingot output. About 40% of the $69 millions invested for fixed plant in the four years 1946-49 inclusive has been for fabricating operations.

Shareholders and investors generally however will note Mr. Davis cautioning that:

(1) Export demand for Canadian aluminum may be subject to rapid fluctuations as the demand from several important markets goes in part to satisfy the peak demand of those markets.

(2) More competitive conditions prevail. This results both from devaluation of currencies causing competition from "soft currency" countries' aluminum and from the reappearance of adequate supplies of competitive materials.

On the financial side, Aluminium Ltd. showed a 4.4% drop in consolidated dollar sales in 1949 and consequently a 1.2% drop in its net profit. But the net profit was still equivalent to $7.26 a common share as against $7.34 the previous year. It also showed good coverage for the dividend payments, being nearly 2.8 times the total dividends of $2.60 a share paid in 1949.

The 1949 annual report also showed a further strengthening of the company's already strong working capital position. Working capital amounted to $104,468,172 at Dec. 31, 1949, up 20.7% in the year. Cash and marketable securities were also up substantially, accounting for $63 millions of the $145 millions total of current assets. Inventories were slightly reduced.

Aluminium Ltd. common at $64½ a share is selling at about 8.9 times its last year's earnings — not a high times-earning ratio — and yields about 4.03% on the basis of the $2.60 paid in dividends in 1949 or 3.72% on the basis of the indicated $2.40 annual dividend rate. In view of its recent rapid rise and relatively low current yield, some brokers feel that the "steam" may now be out of the stock.

* * *

See Bell Phone Up 15%+ On Favorable Rate Decision

How much will Bell Telephone common appreciate if a favorable rate decision is granted? Gairdner & Co., Toronto investment house, suggests one answer to that question in a letter to clients.

Bell Telephone's market action was directly parallel to that of Shawinigan Water & Power Co. in the 39 months ended April 1, 1948. Both adhered closely to the industrial averages, the study states. It then shows charts of the price action of Bell Phone as compared with both Shawinigan Water & Power and the Toronto industrial average since April 1, 1948, as compared with where it might have been had the same relationship as existed prior to April 1, 1948, been maintained. These charts suggest that a favorable rate decision might bring Bell's price up by about 15% plus, the firm states. The difference between the current price of Bell and what it might have been is 6½ points as compared with Shawinigan and 18 points as compared with the Toronto industrial average.

* * *

College Fund Managers Hold 45% in Bonds, 55% in Stock

How do endowment fund managers invest their funds?

These managers are in the business of investing funds on a long-term basis and follow conservative investment policies. Their purpose is not to speculate in the security markets but rather to see that the funds under their supervision are productively invested at as high a rate of return as is consistent with the prudent management of the capital.

An examination of the funds of 12 privately endowed educational institutions, made by Vance, Sanders & Co. of Boston, Mass., shows that the group averages 45% of its funds in bonds, 13% in preferred stocks and 42% in common stocks. The detailed list shows as follows:

	Total	Bds.	Pfd.	Com.
Amherst	$20,421,683	39.82	10.65	49.53
Chicago	53,741,046	36.09	16.29	47.62
Columbia	35,948,025	37.52	9.72	52.76
Cornell	39,736,679	46.28	13.47	40.25
Dartmouth	21,251,888	52.14	4.96	42.90
Harvard	178,807,892	48.75	10.67	40.58
Johns Hopkins	31,944,320	52.34	14.42	33.24
M. I. T.	34,283,254	54.65	1.21	44.14
Princeton	45,398,012	40.96	18.60	40.44
Wellesley	14,508,806	32.46	22.59	44.95
Williams	13,891,773	73.20	21.20	41.60
Yale	91,736,439	46.27	15.32	38.41
Average		45.39	12.66	41.95

Reports are as of June 30, 1949, except for Cornell which is of Dec. 5, 1949.

The table does not include real estate, mortgages, special endowments, etc., and has been derived from the figures given for the principal endowment account of each institution, it is noted.

While it is obvious from an examination of the reports of these institutions that each one has a somewhat different approach to the problem of investing, a careful study of private endowment accounts over a period of years reveals that they all follow a basic investment pattern which departs in some ways from the procedure which is likely to be followed by the average investor, Vance, Sanders & Co. say.

* * *

Basic Interest Rate Chart is Revised

Greenshields & Co. Inc. revised its chart establishing the yield differential between the "basic" interest rate and the "preferred" stock rate.

The chart shows that during 1949 the average yield from preferreds was practically unchanged to slightly higher. However, the differential between the rates of the preferreds and the Government of Canada 15-year theoretical bonds increased from 1.48% to 1.61%. In the main, this resulted from a rise in the prices of Dominions which commenced soon after mid-1948 and continued with minor fluctuations to the end of last year.

The experience in Canada closely paralleled that of the U. S. Treasury market, which rose in reflection of the change in the opinion of the Treasury authorities who after mid-year began to pursue an easier money policy following the sharp down turn in the American business activity at that time, T. Moran of Greenshields states.

The yield differential between the two rates for the 21 years from 1929 to 1949 inclusive has been as follows:

1929	0.95	1940	1.90
1930	1.35	1941	2.10
1931	1.58	1942	2.19
1932	2.66	1943	2.05
1933	2.74	1944	1.89
1934	2.39	1945	1.59
1935	2.22	1946	1.41
1936	2.25	1947	1.85
1937	2.00	1948	1.48
1938	2.15	1949	1.61
1939	1.91		

* * *

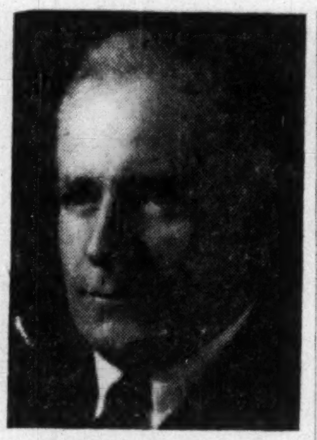
One U. S. Investment Trust Seen Not on "Buying Side"

At least one U. S. investment trust is not on the "buying side" of the stock market. It is Lehman Corp., said a conservative house and the nation's largest diversified closed-end investment trust.

Its report for the first quarter of 1950 showed that it had sold some $9.6 millions of its security holdings and bought only $3.8 millions of corporate security issues. Its cash and U. S. government bond holdings rose to 18.5% of its $106 millions of assets as against a ratio of 13.2% at the beginning of the year.

No Canadian securities were among the stocks bought or sold.

LARDER "U" ISLAND MINES' April 15 installment of 200,000 shares at 10c a share under agreement with R. W. Avery has not been exercised and agreement has been terminated.



SENATOR W. A. FRASER

has been elected a director, Toronto Iron Works Ltd., and Central Bridge Co., Trenton.

Dryden Paper $1.5 Million Issue Offered

MONTREAL (Staff) — A $1.5 million issue of series B 4% first mortgage bonds of Dryden Paper Co. is being offered at par by Nesbitt, Thomson & Co. Bonds are dated May 1, 1950, and mature May 1, 1965.

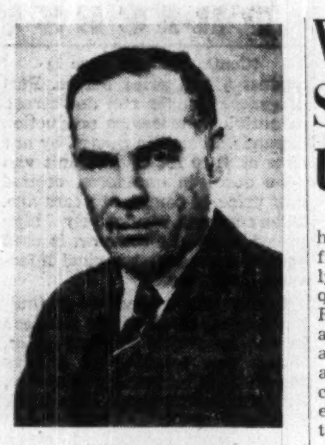
Of the proceeds, $228,000 will be used to pay off bank loans, $375,000 for capital improvements and the remainder for general corporate purposes. Capitalization on completion of the financing will consist of $1,425,000 4% bonds due 1961 and $1.5 million due 1965; and 182,000 shares (300,000 authorized) of no-par-value common stock.

Company has spent $2¼ millions on additions and modernization since June, 1946. At present about 75% of its 50,000-ton annual unbleached kraft pulp capacity is converted into kraft paper products, with the balance available for sale. Company plans eventually to convert this surplus pulp into finished products as it gradually broadens and diversifies its output.

Earnings for the five months ended Feb. 28, 1950, were $105,657. This compares with a net profit for the full 1948-49 fiscal year of $155,627. Previous net profits for the years ended Sept. 30 include: 1948, $682,548; 1947, $390,109; 1946, $162,495; 1945, $30,805; 1944, $90,981; 1943, $80,569.

Average annual earnings in the last 10 years, before depreciation and depletion, bond interest, and income taxes, covered the new maximum annual interest requirements of $117,000 6.26 times; after depreciation and depletion, 3.41 times, prospectus states.

No dividends may be paid on common stock unless current assets are at least 2½ times current liabilities and net current assets are at least 50% greater than outstanding funded debt. Pro forma balance sheet at Feb. 28, 1950, shows current assets of $3.3 millions, current liabilities of $496,000.



CHARLES N. WILSON

has been appointed a director, Enamel & Heating Products Ltd. He is president, Saint John Dry Dock Co., Saint John, N.B.

New Brunswick Bonds Offered

MONTREAL (Staff) — Province of New Brunswick debentures totaling $5 millions were offered this week by a syndicate headed by Nesbitt, Thomson & Co.

The issue consisted of $1.5 million 3% debentures due May 15, 1955, and $3.5 million 3½% debentures due May 15, 1970. Offering price is 99.25 and accrued interest to yield 3.55%.

Proceeds from the 3% debentures go to the New Brunswick Power Commission and of the remainder, $2 millions is for hard surface roads and $1.5 millions for vocational school grants.

Provincial Secretary-Treasurer J. G. Boucher states that Province's maturities for 1950 fiscal year have already been provided for, and no further issue of bonds or debentures is contemplated until next autumn, at the earliest.

Even though the province has had to make large capital expenditures in recent years, the proportion of public revenues required for debt service has decreased from 56% in 1933 to 24.3% in 1949.

Canadian Investment Fund Adds To 36 Com. Stocks

An increase in its holdings of 36 common stocks and one preferred stock and reduction in its holdings of three U. S. common stocks featured the changes in the portfolio of Canadian Investment Fund, Ltd., in the three months ending March 31, 1950, according to the quarterly report.

The largest increases in number of shares were for Distillers Corp.-Seagrams Ltd. and for Famous Players Canadian Corp. The holdings of each was increased by 10,000 shares to a total of 14,000 shares and 20,000 shares respectively.

The second largest increase was in CPR common which was increased by 8,000 shares to a total of 25,000 shares. This follows a purchase of 7,000 CPR common shares in the last quarter of 1949. All but 1,000 of the CPR shares have been purchased since June 30, 1949.

Other common stocks of which 4,000 or more shares were purchased during the first quarter of 1950 were: American Radiator & Standard Sanitary Corp., Consolidated Paper Corp., Imperial Tobacco Co. of Canada, Kerr-Addison Gold Mines Ltd., Lakeshore Mines Ltd., Loew's Inc., and Hiram Walker-Gooderham & Worts Ltd.

The three U. S. common stocks, holdings of which were reduced, were: E. I. duPont de Nemours & Co., General Electric Co. and Union Carbide & Carbon Corp.

Actual changes in the portfolio for the three months from Dec. 31, 1949 to March 31, 1950 are as follows:

PORTFOLIO CHANGES
DEC. 31, 1949 TO MAR. 31, 1950

Common Stocks:	Mar. 31/50 Shs. Held	Incr.
Aluminium Ltd.	3,350	1,650
Amer. Rad. & Stan. Sanit. Corp.	16,000	5,000
Asbestos Corp.	9,750	750
Bank of Montreal	8,000	2,000
Bank of Toronto	5,000	1,000
Building Prod. Ltd.	8,525	525
Can. Bank of Comm.	8,000	1,270
Can. Bronze Co. Ltd.	5,950	875
Can. Celanese Ltd.	14,500	175
Can. Indust. Ltd.	14,775	1,775
Can. Pac. Rlwy. Co.	25,000	8,000
Cons. M. & S. Co. Ltd.	10,000	2,000
Consol. Paper Corp.	20,000	5,000
Distill. Corp.-Seag.	14,000	10,000
Dom. Bridge Co. Ltd.	9,000	2,000
Dom. Glass Co. Ltd.	2,500	500
Dom. Oilcloth & Lin.	7,400	400
E. I. duPont de Nemours & Co.	4,000	*1,600
Fam. Play. Can. Corp.	20,000	10,000
Gen. Electric Co.	8,000	*2,000
Hudson Bay M. & S.	13,000	1,975
Imp. Tobac. Co. of C.	15,900	4,900
Indust. Accept. Corp.	8,000	3,000
Intl. Nickel Co. Ltd.	27,000	2,000
Kerr-Addison G. M.	10,200	7,200
Labatt, John Ltd.	5,000	2,000
Lake Shore Mines Ltd.	19,200	7,200
Loblaw Gros. Co. B	7,000	1,000
Loew's Incorp.	5,000	5,000
McIntyre Porc. Mines	9,000	200
Page-Hersey Tubes	8,000	1,000
Powell River Co.	12,000	2,000
Price Bros. & Co. Ltd.	3,650	3,650
Royal Bank of Can.	8,000	1,725
Shawinigan W. & P.	20,000	2,000
The Texas Co.	4,000	1,400
Union Carb. & Carbon	2,000	*1,000
H. Walker-Good. & W.	15,000	5,300
G. Weston Ltd.	9,465	1,465
Preferred Stocks:		
Can. Ind. Ltd. 7% cum.	300	100

*Decrease.

The very substantial increase in demand for the company's shares continued through the first quarter of 1950, President Hugh Bullock states. Outstanding shares stood at a new all-time high of 5,714,640 at March 31, 1950, reflecting a first quarter net increase of 636,620 shares. This follows a net increase of 684,689 shares in the fourth quarter of 1949 and of 742,558 shares in the third quarter of 1949.

Total net assets, with securities at market quotations, amounted to $28,442,834, also a new all-time high total and a first quarter gain of $3,124,267. The quoted market value of investments exceeded their average costs by $3,313,855 and the balance of realized profits on sales of investments amounted to $1,086,089.

At March 31, 1949 the portfolio contained 84 individual issues and funds were held as follows:

Holdings:		% of total net assets
Bonds		14.39
Preferred stocks		3.19
Common Stocks:		
Automotive	3.58	
Banks	3.42	
Base metals	11.91	
Bldg. industries	4.35	
Chemicals	2.60	
Foods & beverages	7.54	
Gold mining	4.73	
Heavy industries	7.17	
Paper & newsprint	9.24	
Petroleum	6.17	
Public utilities	4.66	
Retail trade	.23	
Textiles	3.04	
Miscellaneous	6.05	
Total common stock		75.31
Cash		7.11
Total net assets		100.00

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

OKALTA OILS showed an increase in earnings to $706,864 in 1949 ($523,149 in 1948). Heavy write-offs, including $470,000 for cost of producing wells, resulted in a net profit of only $16,375 ($1,892 in 1948).

During 1949 three further wells were successfully completed in the Leduc area and the company now has seven producing wells in this area of which three are from the D3 formation.

A wildcat well drilled on a Seismic high in the Stony Plains area under an Imperial Oil farmout failed to secure production down to completion depth at 6,464 ft. but a new well is being drilled in the Leduc area on a farmout from Imperial Oil offsetting both an Okalta and an Imperial producer.

REVENUE ACCOUNT

Years Ended Dec. 31:	1949	1948
Gross oper. inc.▲	$960,972	$716,111
Add: Other inc.	4,091	9,044
Less: Oper. exp.‡	258,199	202,006
Net earnings	706,864	523,149
Less: Depreciation	133,030	79,003
Roy. del'n	20,602	23,617
Amort. of dev.	470,000	361,000
Unpro. expl. exp.	58,387	58,237
Income tax	8,470	......
Net profit & surplus	16,375	1,892

▲From production, gross royalties, rental of equipment, etc.

‡Including executive's salaries, directors' fees, legal fees, etc.

Earned per Share	$0.009	$0.001
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & mkt. secs.	$70,865	$332,175
Accts., etc., rec.	75,577	62,321
Mater. & supplies	243,182	90,177
Total curr. assets	389,624	484,673
Investments	201	201
Wells exp.‡	489,591	598,104
Leases	1,107,678	1,059,428
Plant & equip.†	310,603	308,327
Rev. acct deficit	165,098	185,942
Total assets	2,462,795	2,636,675
Total curr. liabs.	32,175	58,669
Advs. rep. fr. prod.	480,388	649,506
Depl. res.	43,619	23,016
Conting. res.	4,314	4,017
Capital stock	1,620,000	1,620,000
Capital surplus	282,299	281,467
‡After res. of	2,045,849	1,575,849
†After depr. of	640,029	517,009
Working capital	357,149	426,004

YELLOREX MINES reports that, by agreement dated April 26 with J. A. Whalen, the outstanding options on 50,000 shares at 45c a share and 50,000 at 50c a share, have been terminated and in lieu thereof 50,000 shares have been underwritten at 17½c and options granted on 350,000 shares at 20c to 35c a share. Upon issue of underwritten stock, issued capital will be 2,515,005 shares, leaving 484,995 in treasury.

West. Grocers Sales, Profits Up in Quarter

Sales of Western Grocers Ltd. have held up quite well in the first quarter of 1950, being slightly higher than the corresponding quarter of 1949, President W. P. Riley told shareholders at the annual meeting. Profits have also improved to some extent, he added. (In the year 1949, the company's net profit was $737,309, equivalent to $9.65 a class A and to $5.98 a common share.)

The company has embarked on a building program which includes a new wing to be added to its Calgary warehouse and an entirely new warehouse to be constructed at Edmonton, Mr. Riley stated. Its subsidiary, Dominion Fruit Co. is also building a warehouse in Calgary. Cost of the entire program will be over $1 million.

In Edmonton the company purchased from the city sufficient land on which to build a modern warehouse with all necessary facilities and construction has commenced. Cost is estimated at around $700,000.

The company has a construction backlog to work off, Mr. Riley stated. At one time all goods moved out of its warehouses to the country entirely by railroad. Scheduled-truck lines now transport many thousands of tons of goods, while many customers call at its premises with their own trucks. From this change there arises need for different facilities. To meet that need, as circumstances permit further alterations will be made at various points, Mr. Riley explains. "The advance of truck transportation was hardly an overnight development, but in these days of higher construction costs we have been perhaps reluctant to put more money into fixed assets as quickly as we might," he added.

The principal factors causing the reduction of $113,602 in the company's net profit for 1949 from the 1948 figure were the instability of commodity markets exhibited in the early months of 1949 and higher operating expenses, mainly payroll and delivery, Mr. Riley said.

Referring to the reduction in inventories, Mr. Riley said that wisdom dictated a closer relationship between stocks and sales than has prevailed for some years past and that the reduction reflects itself in lower obligations; all bank indebtedness being eliminated completely and trade obligations substantially reduced. The company's liquid position was improved.

Results of subsidiaries closely parallel those of the parent company—lowered stocks, lessened liabilities and more liquid position all round, he said.

H. Smith Paper New Plant

MONTREAL (Staff) — Howard Smith Paper Mills Ltd. will begin construction in July of a new $1 million high-pressure steam plant at Cornwall, Ont., it is announced.

The new plant will replace an obsolescent stoker plant currently in use. High level of operations in recent years has meant the overworking of present facilities, and the bringing into operation of the modern steam installation, scheduled for late in 1951, will increase efficiency and reduce operating costs.

The construction program at Cornwall is part of company's long-term program of plant rehabilitation and expansion begun three years ago. In order to maintain production, program of modernization is being carried out in separate stages which will extend over several more years. Work in 1949 cost $3 millions.

Outlook Seen Good For United Steel

The outlook for United Steel Corp. for 1950 is fairly good, President T. J. Dillon told shareholders at the annual meeting. While it is hoped results will be comparable with those for 1949 he pointed out, however, that both 1948 and 1949 had been boom years. (In 1949 the company showed a net profit of $689,891, equivalent to $1.39 a common share.)

The company will turn out the first "transmix" concrete mixing trucks in July. Arrangements have also been made with a leading U. S. manufacturer to build a line of electric cranes and, under the agreement with Baldwin Locomotives, the company will make hydraulic presses, it was stated.

At March 31, the company had increased its bank loan to $754,000. Inventories had also increased to $3,589,000 but have now passed their peak, Mr. Dillon said. Cash at the end of the first quarter stood at $245,541.

New Buildings For B. C. Electric

A new office building, to centralize several existing offices, and also expansion of garage and maintenance facilities for its modern all-bus fleet, are currently planned by the Vancouver Island division of the B. C. Electric Railway Co.

Garage and maintenance extension follow one third increase in transportation operation when early this year company added the municipality of Saanich to the routes on which it operates. Extension will supply around 6,500 additional ft. of floor space.

SALES ENGINEER

UNB '37 34, married, desires to locate in Ontario. Diversified engineering and sales experience transformers, switchgear, lighting equipment, fittings. Present location Montreal.

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BOX 163, THE FINANCIAL POST

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WOOD GUNDY & COMPANY LIMITED

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Our "May Review and Securities List" contains a broad list of Canadian securities to yield from 3% to over 6% including securities suitable for the reinvestment of the funds received from the redemption of these bonds and debentures. Included in the "Review" is comment concerning the current high level of Canadian business activity and highlights from a number of recent corporation annual reports.

A copy of our "May Review and Securities List" will be forwarded gladly upon request by mail or telephone.

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Regina Edmonton New Westminster Victoria
New York Halifax Quebec London, Eng.

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MARKET COMMENT

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THE FINANCIAL POST
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BOX 174, THE FINANCIAL POST, TORONTO

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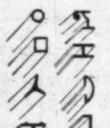

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MANAGED INVESTMENT

Compton Investment Fund Shows $400 Improvement

Most newsprint companies seem to be booked to capacity throughout this year and well into 1951. This accounts for recent strong market action in pulp and paper stocks, Compton's investment manager says. The Compton investment portfolio includes four pulp and paper stocks.

Compton's Manager Says

The $400 improvement in the market value of Mr. Compton's securities reflects the strong market which has prevailed throughout the period and is still in evidence at time of writing. Most classes of stocks have gained ground, the paper section showing the greatest gain because most newsprint companies seem to be booked to capacity throughout this year and well into 1951.

Since the U. S. is the largest consumer of Canadian newsprint (taking 90.5% of Canadian shipments from January to March this year) it is interesting to note that the consumption of newsprint across the border during the first three months of 1950 amounted to 1,396,331 tons—an increase of 6.6% over same period last year. At the same time, stocks of newsprint in U. S. at end of March were 566,785 tons, or 12.2% less than in March, 1949. Stocks in hand of U. S. consumers at end of March were, in fact, at the lowest level since June, 1948.

No purchases or sales were made for Mr. Compton's account during the month ended April 15.

In that period Mr. Compton received in dividend payments $93.36. Regular monthly withdrawal of $55 for personal expenses was made leaving $38.36 to credit to cash account which at April 15 stood at $193.69.

The Compton Account Now Stands

No. of Shares		Cost per sh. $	*Market per sh. $
	Common Stocks		
10	Abitibi	23	27½
5	Aluminium Ltd.	49¼	59
10	Bell Telephone	41¾	40½
10	Building Prod.	28⅞	34½
10	Can. & Dom. Sugar	22	22
5	Can. Celanese	26¼	34¼
5	Can. Industries	19¾	23¼
10	Can. Pacific Rlwy.	13¼	18½
25	Cockshutt Plow	12⅛	16¼
20	Consol. Litho.	17¼	28
5	Consol. Smelters	85	97
25	Gypsum, Lime & A.	15⅜	19
15	John Labatt	20	19¼
20	Montreal Locomotive	18	21¾
15	Nat. Steel Car	19¾	23
10	Powell River	43¾	49
20	Simpsons A	26½	29½
20	Walkers	26¾	45
	Preferred Stocks		
25	Abitibi $1.50 pfd.	20¾	23¾
30	Can. Wire Box A	23¾	26
25	F. B. Eddy Co. A $1	22	16½
5	Dom. Glass	35¼	36
5	Loblaw A	20	30¾
50	McCabe Grain A	11	8¾
25	Riverside Silk A	32½	28
10	Nat. Breweries	42⅛	40
30	D. Stuart Oil	16¼	16
120	York Knit. Mills A	7¾	6¼
	Mining Stocks		
100	Teck-Hughes	3.00	3.40
5	McIntyre	64½	62½
15	Kerr-Addison	16¼	19¼
10	Hudson Bay	45¾	44
	Bonds		
$100	Can., 3% 1957/60	100	102¼
$1,300	Can., 3% 1959/62	100.98	102
Cash			$193.69
Curr. Market Value of Fund			$14,888.19
Prospective Annual Income			$903.13
Aver. Yield on Original $10,000			9.03%

*Bid price on April 15.

M. & O. Paper Profit Up 9.6% In 1st Quarter

Net sales of Minnesota & Ontario Paper Co. for the three months ended March 31, 1950 were $11,388,488 — 8.9% higher than sales of $10,457,088 in the corresponding 1949 period, according to a letter sent shareholders by President Donald D. Davis.

Net profit was up 9.6% to $965,824 or 75c a common share for the quarter ($881,054 or 68c a common share for the same 1949 period)

During the first quarter, volume and prices of newsprint, bleached grades and unbleached kraft papers have remained steady. Groundwood grades have been under steady pressure for reduced prices, Mr. Davis states.

Prices of insulation board have been firm and it is anticipated that volume which has been relatively low due to seasonal conditions will improve as building activities increase, he stated. Prices of forest products have remained fairly steady. Volume has been seasonally low but is improving.

Additional bleaching facilities for sulphite pulp were put in operation during the first quarter of 1950, providing for production of additional new types and grades of paper. Two new machines modernized in 1949 (one at International Falls and one at Fort Frances) are producing a greater proportion of higher types and grades of paper, Mr. Davis states.

The 1950 plans for additions and replacements of facilities, estimated to cost about $2.6 millions, are progressing satisfactory.

Logging operations for the winter portion of the 1949-50 season, which commenced Nov. 1, 1949, have been satisfactorily completed. "We have considerably reduced wood in mill storage and have increased the amount of wood delivered directly to the mill," Mr. Davis states.

Notices of contract negotiation openings as of May 1, 1950 have been received from all union jurisdictions with the exception of Canadian woods employees (which contract does not expire until Sept. 1, 1950), Mr. Davis adds.

Current assets total $18,753,428, current liabilities $5,526,721, which left working capital of $13,226,657 at March 31, 1950. This is slightly higher than the comparable figure of $12,694,756 at Dec. 31, 1949.

Lowney Expecting 80% Higher Sales For Ice Cream

MONTREAL (Staff) — Candy sales of Walter M. Lowney Co. were up 13.1% in the first quarter this year compared with a year ago, shareholders were told at annual meeting last week.

Ice cream sales have also been at a high level. Company expects that volume may be 80% higher this year than in 1949, when it first started to market ice cream early in the year.

Work has begun on the new $750,000 six-story addition being built at company's Montreal plant at Inspector and St. Paul Streets. This will provide 112,000 square feet of additional space, and with the installation of modern machinery will increase candy capacity by about 25%.

CENTREMAQUE GOLD MINES reports it is purchasing the property now held by South Centremaque Gold Mines, consisting of 20 claims (800 acres), the purchase price being 331,250 shares of stock. Upon issue of these shares, issued capital will be 3,409,427 shares, leaving 1,590,573 in treasury.

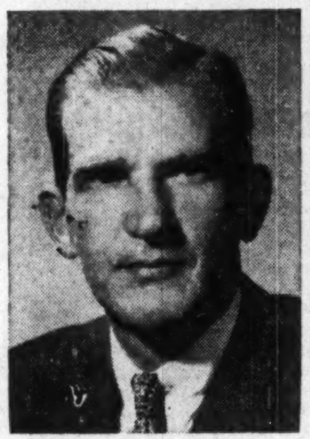
Loblaw Groc., Inc. Asks New Name, Capital Increase

Shareholders of Loblaw Groceterias, Inc., Buffalo, N.Y., will be asked to consider and take action on a proposal to increase the authorized capital stock and to change the company's name at the annual meeting on May 12. This is indicated in the notice calling the annual meeting but shareholders note that there is no mention of either of these matters in the directors' report nor is there any explanation of the reason for increasing the authorized capital stock given in the notice.

Specifically shareholders are being asked to:

(1) Increase the authorized capital stock from $2,400,000, consisting of 400,000 common shares, par $6, to $7,500,000 consisting of 1,250,000 common shares, par $6.

(2) To change the present name to Loblaw Inc.



G. E. ELLSWORTH

has been elected a vice-president, Toronto Iron Works Ltd., and vice-president of the subsidiary, Central Bridge Co., Trenton, Ont.

$10 Million Bond Issue By McColl

MONTREAL (Staff)—An issue of $10 million 3¼% serial debentures, Series A, of McColl-Frontenac Oil Co. were offered this week by Wood, Gundy & Co. and McCleod, Young, Weir & Co. at $99.45 and accrued interest to yield 3.30%.

The debentures will be dated June 1, 1950 and mature $667,000 annually Jan. 2, 1952-61 and $666,000 annually 1962-66.

Proceeds of the issue will go to meet cost of construction of company's new $10 million refinery at Edmonton. This refinery is expected to be ready for operation early in 1951.

Sales of all products totaled 390 million gallons in 1949 compared with 235 millions in 1944, 165 million in 1939 and 80 millions in 1930. First quarter sales this year showed a satisfactory increase over a year ago, it is stated.

In 1949, net income before interest, amortization and income taxes, was $6,408,305. Maximum annual interest charges including the present issue total $898,750 per annum.

On completion of the new financing, capitalization will consist of: $20 million authorized first mortgage bonds, of which $4.5 million 3% due 1950-58, $6.5 million 3% due 1971 and $7.5 million 3¼% due 1972 are outstanding; $10 million 3¼% debentures due 1952-66; $10 million authorized, $6 million outstanding 4% $100 par preferred shares; and 4,975,526 authorized, 2,607,963 issued no par value common shares.

Imperial Oil's Sales Rise 19% In First Quarter

Sales of Imperial Oil Ltd. for the first three months of 1950 show an over-all increase of 19% from those for the corresponding 1949 period, President G. L. Stewart told shareholders at the annual meeting last week. A $300 million program for development by Canada's oil industry was foreseen by Mr. Stewart.

"Furnace fuel oil and stove oils contribute most substantially to this gain with an average increase of about 45% in volume, but gasoline sales are up 9% and because of the marked activity of the current car and truck markets we may expect that gasoline sales will continue at a high level," Mr. Stewart said. "We can look forward to 1950 as an even busier year than was 1949."

"There is sound reason to expect a continued expansion of our markets for products," Mr. Stewart said. "The Canadian per capita consumption of petroleum last year was slightly more than 8½ barrels. This compared with slightly more than 14½ barrels in the U. S. Because of many similarities in the economies of the two countries it is to be expected that the patterns of our petroleum consumption will continue to trend towards a closer approximation of U. S. consumption as has been the case in recent years. For instance since 1945 Canadian per capita consumption has increased by three barrels or roughly 53%, whereas in the same period the increase in the U. S. was about 1-1/6 barrels per capita or slightly more than 8-½%."

Expressing concern over the small unit profit in manufacturing and marketing operations — less than ¾ of 1c per gallon in 1949 — Mr. Stewart said that by continued improvement of plant and technique and with larger volume over which to distribute uncontrollable costs it was hoped to make a better profit-per-gallon showing in 1950.

Drilling and Development

As of April 15, Imperial Oil had completed 72 development wells in Alberta since the beginning of the year and drilled eight wildcats with four others drilling at present.

"A rough estimate of our company's potential production in Alberta under efficient recovery methods is 60,000 barrels daily at the present time. Our actual production is 26,000 barrels but we expect some increase in this as spring advances and when the Interprovincial Pipe Line begins to take oil for delivery to Superior there will be a further substantial increase although . . . we will then have a reduction in wellhead prices to offset the cost of delivery to the more distant markets," Mr. Stewart said.

"Because the market for prairie oil is confined to prairie refining capacity the drilling of additional wells does not result in increased production. In fact . . . each new well reduces the allowable production for all other wells. However, we must carry on with our development program because of the terms of various leases and in order to protect our underground reserves of oil; but the capital requirements are heavy. Last year we spent nearly $22 million for development drilling and attendant activities. This was equivalent to $5,200 for each barrel by which we increased our daily allowable production during the year."

To Spend About $300 Million

In 1949 expenditures of the industry for oil finding and attendant developments were $100 million or more and in 1950 they will be even greater, Mr. Stewart said.

"Together with outlays for new refining capacity, for pipelines and tankers and for other induced expenditures they will approximate $300 millions, equivalent to 10% of the total private capital expenditures expected to be made in Canada this year," he added.

The company has now been advised that the ratio of profits from its producing operations to the total profits does not appear to qualify dividends paid in 1949 for depletion allowance, Mr. Stewart said. Under the new regulations the depletion allowance available to Canadian shareholders on their dividends for any given year will be determined by a company's performance during the preceding year; and so as the year 1948 determines the position for dividends received in 1949, the year 1949 will determine the shareholders' position with regard to any dividends which may be paid in 1950, Mr. Stewart explained.

With the exception of A. E. Halverson who asked to be nominated because he is retiring, directors were re-elected. Trevor F. Moore was elected a director to fill the vacancy. Former officers were re-elected and M. L. Haider was elected a vice-president. He is general manager of the company's producing department.

Another Rate Hike In '52 Bell Telephone Indicates

MONTREAL (Staff) — Possibility that Bell Telephone may have to go back to the Board of Transport Commissioners for another rate increase within the next two years was indicated at the hearings this week.

Bell President Frederick Johnson told the board that because of the rising trend in costs, the rates for which the telephone company has applied may not be adequate beyond next year.

If the proposed rates became effective June 1 this year, earnings would work out to an estimated $2.06 per share in 1950 and $2.43 in 1951. In 1952, however, earnings were expected to drop to $2.05 a share, and this decline will continue through and beyond 1952, Mr. Johnson said. This downtrend in earnings is looked for in spite of anticipated capacity operation of company's plant and equipment.

Even if the new rates go into effect June 1, company won't be able to replace its withdrawals from surplus. It had to draw about $5 millions out of surplus last year alone, and aggregate surplus expected under the new rate schedule during the remainder of 1950, 1951 and 1952 would total only $4.6 millions. Company currently falling short of dividend requirement by roughly $500,000 a month.

Based on the terms of the February, 1949, stock issue — one new share at $33 for each five shares held—company was looking for $41.5 millions in 1950 and $50 millions in 1951 from similar stock offerings to its 63,000 shareholders. Proposed financing would likely increase the number of shareholders to 100,000. "It would be foolhardy to borrow at this time on a long-term basis while the equity market is in its present condition," the president said. If company had to resort to borrowing now, it would endanger raising of additional capital later.

The company's construction program will be finished in 1952, the president pointed out. Immediate program ($250 millions) now in progress is designed to help the company catch up with current demand (90,000 unfilled orders) for main service. Company would still have a program ahead of it to cope with 100,000 requests for better grades of service, and to continue its dial conversion program and make other technical advances to increase efficiency.

An industry such as the telephone industry, whose earnings are closely regulated, can offer investors only the prospect of a regular and reasonable return on their capital, he held. Company has to compete for funds with industries which give investors prospects of speculative profits, higher dividends or bonuses. Unless the Bell can offer reasonable assurance of a steady, adequate return, investors will be unwilling to provide new capital vital to the telephone-using public, Mr. Johnson said.

Lower Profit Temporarily For Montreal Locomotive

MONTREAL (Staff) — Montreal Locomotive Works has built its last steam locomotive and is rearranging its shops in order to concentrate on diesels, Duncan W. Fraser, board chairman, told shareholders at annual meeting last week.

The changeover will slow up temporarily company's ability to get into quantity production of diesels immediately. It won't be possible to make full use of company facilities during the period of rearrangement of shops and training of personnel, and earnings will be at a lower level than those of the past 15 months, Mr. Fraser stated.

Reason for the decision to drop production is the inability of overseas countries to obtain the necessary dollars for the steam locomotives they want, plus the expectation that Canadian railways themselves won't order any more steam units.

Company spent $1.3 millions to expand its diesel facilities last year. Dominion Engineering is making the engines and Canadian General Electric the motors, generators and controls.

While the teaming up of the three Canadian companies assures a finished product of 95% Canadian content, Montreal Locomotive's share of the profit on diesels is lower than on steam locomotives where company did substantially more productive work itself, the chairman pointed out. At the same time, the risk of carrying larger facilities in periods of low production will be reduced, he added.

Diesel demand is on the increase. Canadian railways are convinced of the substantial economies of diesel power and are planning to dieselize many of their divisions as fast as finances will permit. Program is likely to take eight to ten years to complete, Mr. Fraser said.

To diversify the company's production, company has converted part of its shop to production of heat exchangers, vessels and pipe for the petroleum industry in Canada. A good share of available business has been obtained, the chairman said.

J. A. MacMurray Heads Eastern Securities Co.

James A. MacMurray has been elected president of Eastern Securities Co. to succeed his father, James MacMurray, who died March 18.

The new president joined the company in March, 1945, and has been actively engaged in the business since that time. He held the office of vice-president prior to his election to head the company.

Other officers elected at the annual meeting were: vice-president and managing director, F. Carleton Fisher; secretary-treasurer, Mrs. Sara E. Fowler. Directors are: Mr. MacMurray, Mr. Fisher and Stanley F. Jamieson, all of Saint John; William J. Kirby, Moncton, N.B. and R. Murray Colwell, Halifax, N.S.

Following the annual meeting it was announced there had been no change in the ownership or the conservative policy of the company.

MARY ANN MINES reports completion of drill hole No. 4 at 1,750 ft., after having cut a series of carbonated zones in which low gold assays were secured. Hole No. 5 is now down about 125 ft. and also will be a deep hole, located in low ground between two porphyry bodies.

GOVERNMENT
AND
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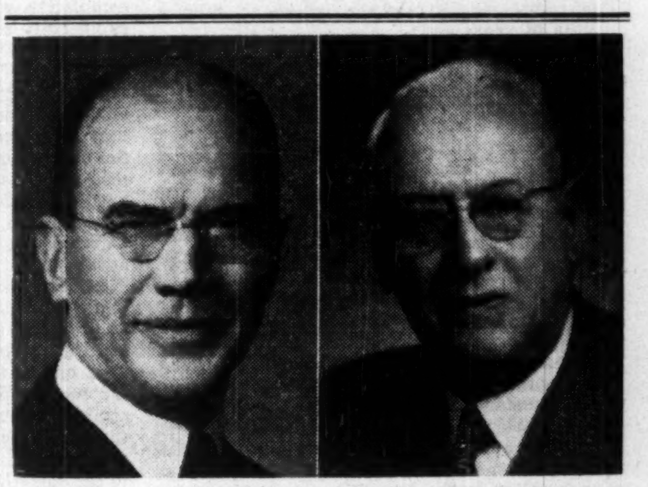

DONALD I. McLEOD **W. EWART YOUNG**

Announcement is made of the election of Mr. Donald I. McLeod to the office of Chairman of the Board of Directors, and of Mr. W. Ewart Young to the office of President, of McLeod, Young, Weir & Company Limited. Mr. McLeod and Mr. Young have been directors and officers of McLeod, Young, Weir & Company Limited since formation of the business in 1921. In addition to their association with this firm they hold directorships in a number of other Canadian corporations *

ASHCROFT SCHOOL DISTRICT NO. 30, B.C. new issue of $149,000 3¾% debentures, due April 1, 1951, to 1970, has been sold by tender to J. L. Graham & Co. of Toronto in association with Pemberton & Son Vancouver Ltd. Price was $100.58. Proceeds are for the purchase of new school sites, the erection of new schools and teacherages and purchasing equipment therefor. The school district is an important ranching and vegetable raising area located about 225 miles northwest of Vancouver.

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Announce the Opening of an
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New Issue

$10,000,000
McColl-Frontenac Oil Company
Limited
3¼% Debentures, Series A

To be dated June 1st, 1950 To mature January 2nd, 1952-66

Principal and half-yearly interest (January 2nd and July 2nd commencing January 2nd, 1951), payable in lawful money of Canada, at the holder's option, in Halifax, Saint John, Montreal, Toronto, Winnipeg or Vancouver.

Trustee: Montreal Trust Company.

In the opinion of Counsel, these Debentures will be a legal investment for funds of Insurance Companies registered under the Canadian and British Insurance Companies Act, 1932, as amended.

We offer as principals the 1962-66 maturities, subject to prior sale or change in price, if, as and when issued and accepted by us, and subject to the approval of our Counsel, Messrs. Montgomery, McMichael, Common, Howard, Forsyth and Ker, Montreal, and of C. H. Beresford Hands, Esq., and Messrs. Magee, O'Donnell and Byers, Montreal, Counsel for the Company.

Price: $99.45 and accrued interest to yield 3.30%

It is expected that Interim or Definitive Debentures will be available for delivery on or about June 1st, 1950.

A Prospectus, a copy of which has been filed under the provisions of The Companies Act, 1934, as amended, will be promptly furnished upon request.

Wood, Gundy & Company Limited
McLeod, Young, Weir & Company Limited
Dominion Securities Corpn. Limited
A. E. Ames & Co. Limited
W. C. Pitfield & Company, Limited
Greenshields & Co Inc
Savard, Hodgson & Co., Inc.

Can't We End These Curbs?

Not in years has Canada come so close in balancing its trade with the United States. Twice in the last six months our exports to that country have actually exceeded our imports and the difference in the others was far smaller than a year ago. Since devaluation last September the trend toward balancing has been accelerated.

The following table gives the picture:

	Exports to U.S. This Year	Exports to U.S. Year Ago	Imports from U.S. This Year	Imports from U.S. Year Ago
	Millions of Dollars			
March	154.3	122.4		
Feb.	128.8	106.7	143.3	148.8
Jan.	130.9	116.0	154.5	164.8
Dec.	159.8	147.8	151.0	159.4
Nov.	171.3	163.3	162.7	163.4
Oct.	148.1	148.9	167.6	160.2
Sept.	113.7	162.0	158.0	152.7
Aug.	115.4	114.0	143.6	136.1
July	104.4	118.9	160.3	149.5
June	113.9	109.8	176.9	154.9
May	121.2	114.7	172.1	145.0
April	110.7	109.2	177.3	159.5

Whether or not we are going to be able to achieve complete balancing in this matter, at any rate and for the time being the critical phase of our dollar problem with the United States seems to have passed. We can now afford to lean back and reconsider some of those emergency steps we were forced to take a couple of years ago.

High on the list for this reconsideration should be the financial restrictions on Canadian travel in the United States. These are a constant source of irritation to Canadians and they are also liable to be misunderstood by Americans. Above all they constitute a threat to our important and vital trade in catering to American tourists.

So long as we restrict Canadian travel in the United States we can hardly expect Americans to come here freely and spend their holidays and good hard cash. But that is only one part of the story.

Of all the salesmen for Canadian goods and Canadian holidays that we send to the United States the Canadian traveler stands at the top of the list. These people spread the gospel of good will. They tell Americans about our scenery, our climate and our fishing. For every dollar these people spend in the United States, Americans will probably spend 10 or 12 dollars on travel in Canada.

True, lifting these restrictions may cost us some American dollars. But in the long run it should prove an investment that will pay handsome dividends. Even if we can't end all curbs completely we should move in that direction and as speedily as possible.

Our Fateful Misunderstanding

Misunderstanding on both sides is at the crux of the international crisis today. The official Russian mind fails to grasp the strength of purpose and faith behind our continuing efforts to settle East-West differences by peaceful means. Every generous gesture, every effort toward reconciliation is regarded at the Kremlin as a sign of weakness on our part. And we in Canada seem to be afflicted by the same psychological block in observing Russian tactics and targets. With typically democratic optimism and good will we just can't believe the worst of the other fellow or of our own perilous set of circumstances.

An appreciation of this misunderstanding as the key to our international confusion lies at the core of George Drew's recent address before the Empire Club in Toronto. His recognition of the fundamental fact that Russia's and our own Western diplomats think in radically different patterns makes Mr. Drew despair of Trygve Lie's journey to Moscow as another mission to Munich. It makes him question, too, our Canadian practice of "playing with Communism as if it were some ordinary political doctrine."

By Stalin's own definition: "Sincere diplomacy is no more possible than dry water or wooden iron. Words must have no relation to actions —otherwise what kind of diplomacy is it?"

Is it not time for us to consider whether or not all our hopeful working toward United Nations harmony is anything more than a device whereby we inadvertently provide Russia with time and encouragement for the growth of her own kind of imperialism?

Said Mr. Drew: "When the war ended one out of every 12 people in the world was under Communist domination. Today one out of every three is enslaved by that terrible tyranny. That is the dreadful but simple arithmetic of Communist aggression throughout the world."

We Can Use Both

Any move by Ottawa which would restrict the sale of small British cars in this country will certainly not be popular with the general public. Despite predictions to the contrary these cheaper, lighter and less fancy vehicles have been widely accepted.

The continued demand, even after most Canadian producers have caught up with backlog orders, proves that there is a market on this continent for a type of car that had previously been almost unobtainable.

The proper way to meet this new competition is not to jack up duties but to reduce costs and operation of American type cars. This should be possible if labor, management and above all the provincial and federal governments will co-operate.

Some of the bulk, weight and glitter of the cars we have been accustomed to may have to be sacrificed, with a consequent saving not only on initial cost but on body repair bills. But savings here will have to be matched in tax reduction, especially in the excessive levy on gasoline.

For the last 15 years the tax on gas has been upped repeatedly with the various provincial treasuries now taking an enormous bite out of the money we hand to service station operators. This high gasoline tax is one of the major handicaps faced by the much more powerfully engined American type cars. Get it down and reduce other costs whenever possible and there will be plenty of room here for both Canadian and British cars.

We Soon Run Out of Cream

In his recent budget Sir Stafford Cripps made it clear that all social services had to be financed out of current revenue, that the public could only expect that for which it was willing to pay.

It doesn't take long in any country, even in naturally rich ones like Australia and New Zealand, to skim the cream of the millionaires. Unfortunately for those with a taste for pie-in-the-sky, there are never enough of these sugar daddies to keep a government permanently flush in funds. Sooner or later and usually sooner, there comes a time when the costs must come out of permanent revenue and that means higher taxes for everybody.

When they discovered that little lesson the people of Australia and New Zealand lost their enthusiam for the welfare state, and the recent election results in Great Britain would indicate that they are losing some of their socialistic enthusiam, too.

A Good Choice For TCH

After many months of official silence the route of the Trans-Canada Highway through most of the country has now been announced. Naturally, there will be some disappointment in those centres which had hoped to be on the new road but on the whole the public will approve the choice that has been made.

No doubt a paved highway as straight as possible from the Atlantic to the Pacific would have given our national pride a boost but it would have been a costly and rather a useless gesture. Through the greater part of Central Canada it would have traversed undeveloped country and for a long time to come would have been far removed from existing connecting road systems. About the only people that could have made maximum use of such a route would be that very small fraction of the population who for one reason or another have an ambition to make the round trip from coast to coast. The vast majority of citizens will use the TCH merely as a good connecting highway to be traveled not more than a few hundred miles at one time.

In that case it does not matter a great deal if it detours a bit from the straight line so long as it links important tourist, industrial and other areas that now lack good road connections. Laid out in this way, too, the route should be far more interesting than if it had been cut straight through miles of similar and sometimes rather uninteresting country. As planned now, the trans-Canada motorist will have a chance to see something of almost every typical region in the country. In addition, he will be able to detour frequently north or south on first-class provincial highways.

Why Wheat Acreage Fluctuates

Weather plays a bigger role than economics in determining what acreage will be planted to wheat in Western Canada. Invariably that fact is ignored by the farm "planners" and it is sometimes forgotten by general business.

Under our present system of agriculture and with our present knowledge of what our soils and climate will produce, the grain grower in large sections of Western Canada has a limited choice of production. Normally he cannot count on enough moisture to produce forage crops regularly for livestock. In many cases he can only grow grain either of the coarse variety like oats and barley or a bread cereal like wheat.

If the spring is early, he will plant more wheat, if it is late he will swing toward barley and oats. He does this because the coarse grains do not require as long a season for maturing. Ability to switch gives him more assurance of a crop; makes his operations less rigid. This explains the sharp drop in wheat acreage two years ago when seeding was greatly delayed by unfavorable weather. It also largely explains the ups and downs in wheat acreage over the past ten years.

Under free marketing there is a very real and close relationship between the prices of coarse grain and those of wheat. It doesn't make a great deal of difference in returns to the grower which grain nature forces him to plant. But when various government price and market controls step in, as has been the case in recent years, then a new hazard is created for the farmer, who in the weather already faces hazards enough.

Revive Toll Gates?

A British Columbia newspaper speaks approvingly of the system of toll bridges adopted in some parts of that province and also in use in a few other sections of Canada. It is pointed out that tolls have been used to finance large structures in districts that would have found the burden too difficult if handled in the usual way.

The same argument has been advanced in support of certain super-highways in the United States where users have to pay a private charge.

The motorist who already pays what amounts to a staggering tax on his gasoline and vehicle may not be so enthusiastic. Certainly the only real justification for these high taxes is a decent road, properly equipped with bridges and other equipment on which to operate his car. Any additional charge, not to mention the delay in stopping and paying the toll, is not going to be readily accepted.

It is quite true that with certain international bridges or very expensive installations that only serve or benefit a very restricted area there may be no alternatives. But in a country where the motorist is already so heavily taxed and where the goodwill of the tourist is so important, any general extension or rather revival of the toll gate system should be viewed with caution.

Don't Blame It All on Wool

Casual observers who have seen the price of men's clothes rise from around $40-$50 prewar to about double that figure today may have concluded that the raising of sheep must be a very profitable business. In some cases they have been led to believe that the increase was largely due to corresponding gains in the price of wool. Actual statistics, however, fail to substantiate that.

Here are some figures supplied from a reliable source:

In the average business suit there are from eight to nine pounds of raw wool. For the type suitable the grower receives from 40 to 50 cents per pound. Before the war he got from 25 to 30 cents.

Despite this gain, modest when compared with increases in most other commodities, there have been predictions that the price of men's suits would have to advance from $10 to $15 as a result of the recent rise in wool values. If such statements were accurate that would mean an advance of $1 to $1.50 per pound in wool. Instead they have moved up only 5 to 6c in the last six months, or about 45 to 50 cents for the amount necessary to make a new suit.

Napier Moore's

Scratch Pad

IN RECENT CONVERSATIONS with businessmen, editors, parliamentary correspondents, and with some veteran M.P.'s, we have noted a sharpened awareness of the changes wrought in the pattern of government by the influences of bureaucracy.

In the United States, the awareness is even more evident. It is being openly voiced by leaders of industry every day. And Gus has even recorded an analysis of the bureaucrat and his motivation. We don't know who Gus is. He just signs himself "Gus of Gisholt." The company makes turret lathes and puts out a paper for which Gus writes.

What Gus calls the "M-type" wants the country run by bureaucrats. He is well-educated and vocal; has a dislike of the competitive. He has never had holes in his shoes, nor has he ever had $1,000 commission on top of salary. All his jobs since leaving college have been with some non-profit organization — Federation, Institute, Bureau, Authority, Administration, Fellowship, University, Department, Alliance. Some such word, capitalized, has always been part of the name of his employer. His income has never been directly determined by his market worth on the outside and to him increasingly foreign price-profit-and-wages economy.

He has never been laid off; has lived for years in a Never-Never Land where mistakes don't cost a man his job. He shows a constant desire to spend public funds for any and every alleged benefit — ceilings, rations, regulations, controls, anything which increases the bulk of administrative machinery. Tax, Administer, Spend is his motto. And in him develops an In-group feeling; that of his own non-profit circle against the outside economy.

The "M-type" is a good fellow, superficially sincere. People do listen to him. And, says Gus, he "does more in a minute to destroy our ethic, freedom and material well-being than the Bomb and Silk-hat fellows can do in a month."

• • •

THE OTHER day we ran into Cyril W. Stairs, president of Wm. Stairs, Son and Morrow, a business which is almost as historic an institution in Halifax as the citadel clock.

In some unfathomable way the conversation got round to farming. "Did you know that I am a farmer?" asked Stairs. We confessed our ignorance of this. "It's a most unusual farm," he said. "It's right in the heart of Halifax, just opposite Dalhousie University."

We asked him what he grew.

"Rhubarb," he said. "Just rhubarb. It's good for you, rhubarb. And rhubarb juice is delicious."

We enquired how much rhubarb he got off his land.

Stairs sighed. "Sometimes I figure it must be 10,000 tons a day," he said.

• • •

THE MYSTERY of Mary Celeste is revived in a Canadian Government Travel Bureau news letter. Launched as Amazon, the brigantine was built on Spencer's Island, Minas Channel, Nova Scotia. Driven on the Cape Breton shore in a gale, she was bought and repaired by an American company, renamed Mary Celeste. In November, 1872, she sailed from New York for Genoa. Aboard were 13 persons including the captain's wife and daughter.

Some weeks later, a British vessel sighted the brig steering an erratic course. Their hails unanswered, the puzzled British boarded her. Not a person was to be found. All sail was set; not a rope out of place. Half-eaten meals were on the cabin table. The ashes in the galley stove were still warm. Sewing being done by the captain's wife had been dropped by her seat. Only the ship's company, papers and chronometer were missing. There had been no storm, no fire, no looting by pirates, no leak. To this day the mystery remains unsolved.

Which reminds us that during the last war a Canadian naval vessel in the English channel sighted an unidentified brigantine, a rare rig nowadays. Peering through his glasses the skipper said, "Wonder who she is?" His first officer, a bit of a wag, said, "Must be the Mary Celeste." Hearing of this, a Canadian correspondent included the story in a dispatch to his paper. And the censor, with a razor blade, carefully cut out the words Mary Celeste.

• • •

IT SEEMS THAT for nine months the roadsweepers of Southwark, England, had agitated for a five-day week. They got it. A few weeks later they asked to be allowed to go back to working on Saturday mornings. There was no question of losing pay or anything like that. They just found that man's place is definitely not the home; not on Saturday mornings. When their wives weren't conscripting them to wash-up or collect the rations, they were being shoo'd out of the way. They weren't even allowed, they complained, to stay in bed. So they're back on the job. All of which was reported in a BBC broadcast to the world.

Stop Me If —

"What the ! & ? 0 do you want in here?" bellowed the irritable boss as Meekins sidled into his office.

"Please, sir, may I use your phone?"

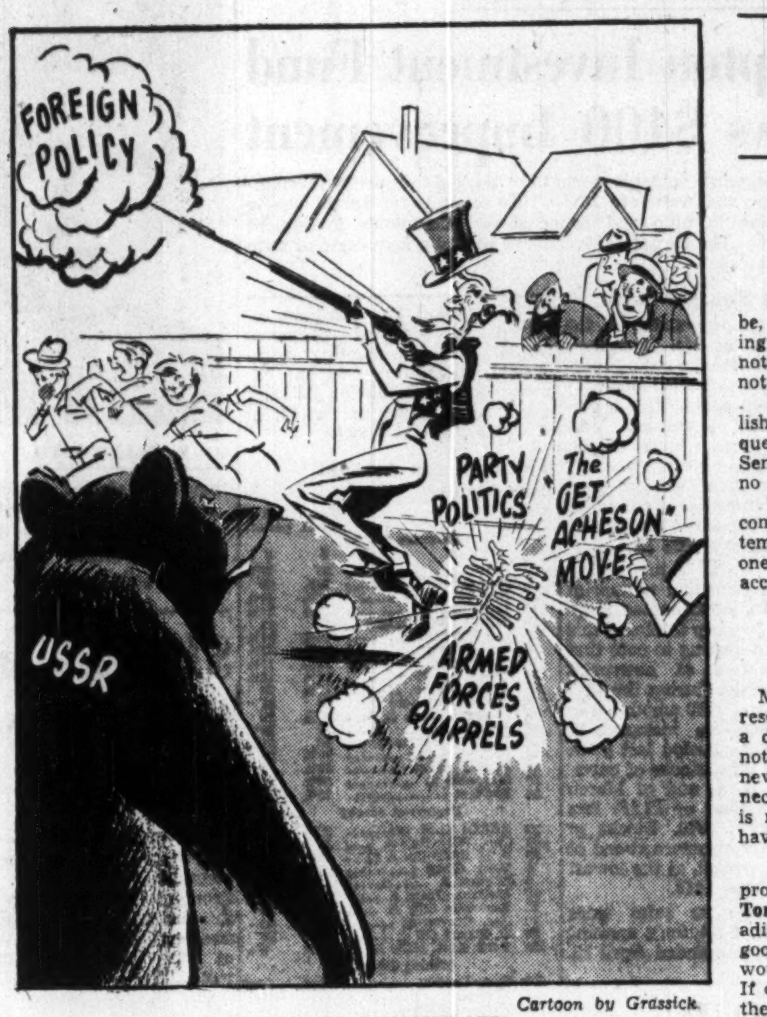
"I suppose so—what for?"

"You see, sir, my wife instructed me to ask you for a raise—but she forgot to say how much."

• • •

The country dance floor was jammed to the four walls and after one number a gallant youth said to a young lady beside him, "Thanks so much for the dance."

"Dance? Dance?" she queried aghast. "Why I was just pushing through the crowd to reach the refreshment stand."



Cartoon by Grassick.

HOW CAN HE CONCENTRATE?

Post Scripts

Now He'll Sell Oil

At 45, one of Canada's best-known and most popular financial men switches industries and embraces the mighty oil business.

Trevor F. Moore last week became a director of Imperial Oil with the special assignment of watching the financing side of the business — which, in view of western developments, is a very crucial side of the business indeed.

MR. MOORE

Trevor Moore was born in England; brought to Toronto at eight. Schooled at U.T.S., he finished his B.A. at U. of T. in 1928 when he joined the firm of which he was eventually to become a director and a vice-president, McLeod, Young, Weir & Co., investment dealers.

Selling oilcloth door to door was one of Moore's undergraduate activities. He says it's the best piece of experience life has so far afforded him. A youthful private enterpriser, he bought the stuff wholesale, rolled it around a broomstick and marched to work.

Helping install a Bell Telephone automatic exchange was another summer job and one he now marvels at, claiming as he does little aptitude for things electrical.

For U. of T. rugby Moore had lots of height but not much weight, so he didn't make the big team. They harnessed his brains instead, made him manager. His associates also elected him president of his year.

Other people have ever since been harnessing his personality, his understanding of people, his drive, his ability.

At McLeod, Young, Weir he was a crack securities salesman, later sales manager.

He has been chairman of the Greater Toronto Community Chest campaign, a top organizer for Victory Loan sales. He has been president and is now a director of the Better Business Bureau; is a director of the Canadian Club and the Toronto Symphony Orchestra and is on the Toronto Advisory Board of the Boy Scouts.

Music for Trevor Moore is a very real interest. His musical education as a youngster wasn't much. His brother got it instead.

Gerald Moore is now acknowledged to be the world's outstanding accompanist, and has had a brilliant musical career in the United Kingdom. Many Canadians will be familiar with his art through their recordings of famous soloists "with Gerald Moore at the piano."

After doing a lot of listening for a long time, Trevor recently decided to make a little music of his own. He started taking lessons. Rumor has it that he enjoys himself, but isn't quite ready for Massey Hall.

• • •

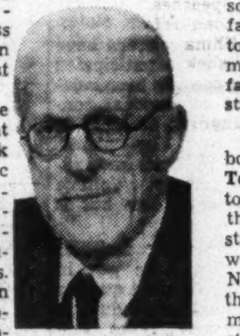
Earth Mover

World-rank maker of power shovels, deep dredges, clamshell grab buckets, employer of 900 management-minded metalworkers and fitters in one of Hull, Yorkshire's biggest plants, world-ranging salesman and challenger of U. S. supremacy in the Canadian market for heavy construction equipment.

That's Phillip Dent Priestman, 58, tall, ruddy, white-thatched managing director of Priestman Brothers Ltd., recent visitor in Vancouver, Toronto and Montreal to introduce the Priestman power shovel and appoint distributors.

He laid down a sample in Vancouver—a $12,000 diesel machine—with five years' replacement parts. West Coast roadbuilders and excavators were impressed, were quoted as finding the equipment "interesting" in price and quality, capacity and power against comparable U. S. machines. They couldn't get over the five years of spare parts. And they liked Priestman's delivery schedule. He says U. K. exporters must be ready to give a spare parts service equal to or better than that of U. S. makers.

Convinced he has a big potential market here, the wily, affable but scrappy Yorkshireman thinks there may be shaping a new crusade into Canada by British builders of machinery and equipment generally. "They're sitting pretty at the moment, with insatiable demand from sterling trade area countries. But that won't last and they know it. My own firm is shipping to 40 countries. But we're out for big volume Canadian business and have reason to expect just that."



MR. PRIESTMAN

As for the "notion" that war might break trans - Atlantic communications, endanger U. K. - Canada machinery supply lines. Mr. Priestman thinks near-approach of European hostilities would see rapid and wholesale transfer of heavy industry to this side, considers the supply-line danger academic.

One development favoring the Priestman swing into competition here—apart from recent exchange advantage from devaluation of the pound—is what Priestman calls a "continuous" rise in production efficiency of his plant. Only some of this gain is due to new equipment and technical shortcuts. Most he attributes to "management-mindedness" of his men. Example: When 30,000 of Hull's 300,000 people surged out to a recent football cup-tie game, there wasn't one absentee from the plant. It was simply that "word had been passed that every man and machine stroke were needed to meet an export order we considered vital—the men accepted the word, believed in the job."

Priestman says if U. K. manufacturers can get into this market now—via the leg-up of currency devalution—many of them can stick. He means to be among the stickers.

Priestman was born in Hull in 1892, son of his firm's founder—William Dent Priestman, inventor of the world's first kerosene-driven internal combustion engine, a mechanical engineer from the Armstrong-Whitworth plant who launched Priestman Brothers at 23.

Young Philip, after five years in a Quaker school (Ackworth in West Yorkshire) went into his father's plant at 17 as a machine hand at the equivalent of $1.50 for a 52-hr. week, wasn't once late to work in two years. Then, after stints as fitter and yard locomotive crane operator, he shifted into the firm's advertising department, became London office manager at 22, company sales manager in 1920 at 28, a director two years later.

In the mid-1930's a world sales tour against depression conditions found him selling clamshells in Sorel, Que., excavators to the Government of Federated Malay States for rice cultivation. Priestman became managing director of the company 10 years ago. He is an avid gardener, water-color painter.

A brother, David Dent Priestman, has lived in British Columbia for 30 years, is maintenance engineer at the Ocean Falls plant of Pacific Mills Ltd. Mrs. Philip Priestman is Norway-born Inga Margarethe (Hetland), daughter of a Liverpool clergyman. They have one son, James, 23, engineering graduate of Cambridge and salesman with the firm; a daughter, Mildred, whose husband is considered one of the John Player cigarette concern's bright young men.

What Others Are Saying

Editorial of the Week

Reform It or Kill It

Brantford Expositor

If the Senate is to be what it was intended to be, a wise reviewing and, where necessary, revising body, it should have members who qualify not as party servants but as public counsellors, not as politicians but as statesmen.

It it is to be admitted or agreed that the establishment of a Senate on that basis is out of the question, then the wise course would be to let the Senate lapse naturally out of existence by making no further appointments thereto.

The present government could earn itself great commendation and prestige in the eyes of its contemporaries and of posterity by making a decision, one way or another in this matter and acting accordingly.

Other People's Views

MUST CONSERVE as well as develop our resources says the **Windsor Star.** "But it must be a double-edged program. Entire emphasis must not be placed upon opening up new mines, drilling new oil wells, or cutting down more trees. If it is necessary to develop our natural resources, it also is necessary to conserve them. In the past we have been too prodigal."

GO EASY with dumping duties or increased protections against goods from Britain warns the **Toronto Globe and Mail.** "Indeed, giving the Canadian makers the protection they ask for—against goods that have to pay Atlantic freight costs—would look very like a breach of faith with Britain. If our protestations of anxiety to buy more from the sterling area are to mean anything in practice, somebody in this country will have to feel the strain of added competition."

SEGREGATION of Indians must go, declares the **Vancouver News-Herald.** "There is only one way now, of making Indians citizens like other citizens. All Indian children may go to public schools like other children. Only in this way can they become assimilated. They need the competition to be found in public schools. They need to know they are not children set apart, but children of British Columbia, entitled to the educational, social and health benefits of every other British Columbia child, irrespective of race, color or religion."

AN INDEPENDENT radio regulating body is approved by the **Winnipeg Free Press.** In commenting on two recent briefs advocating such a step it says: "The fundamental point is that the regulation of radio broadcasting should be by an independent tribunal. It is inherently unsound that one company — the CBC — should control all its competitors. The proposition should need only to be stated to be accepted."

IT IS VERY TRUE that some government departments must use publicity in order to reach the public, says the **Montreal Gazette,** "but publicity in government accounts has a suspicious sound. This suspicion is not diminished by the fact that a large number of departments neglected to give information in response to the parliamentary inquiry, while others which did respond failed to take into account some of their more substantial publicity items."

TOURIST TRADE in New Brunswick could be boosted millions of dollars declares the **Saint John Telegraph-Journal.** "Neighboring Maine benefits to the tune of more than $100,000,000 a year from the tourist trade. While there are no accurate statistics as to how much this brings New Brunswick, $10,000,000 is an estimate frequently used. New Brunswickers, by not making the most of their opportunities in this field, are losing tens of millions of dollars annually. This money would stimulate our whole economy, create a great number of new jobs, give fishermen and farmers a better market, and increase the receipts of the provincial treasury."

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May 6, 1950

What the Soviet Press Printed

Here's Endicott Press Conference Report

Except for deletions and nonessentials, here's the story all Moscow papers used on the conference attended by Dr. James Endicott, of Toronto. Dr. Endicott has stated that he was misquoted by the Soviet press.

Rev. James Endicott, president of the Committee of the Partisans of Peace for Canada, touching on his speech before the Moscow authorities of the refusal of entrance visas into the United States for members of the delegation, stated:

"In former times there were traditional freedoms in North America but now they do not exist. At the International Congress of the Partisans of Peace in Mexico, I made a statement in this respect. I said that the U. S. has organized in Canada a wide network of spies who are watching the life of the Canadian population. The Canadian Government as well as the U. S. denied this fact. The Canadian Government even wanted to arrest me as a 'traitor to the Motherland.'

"Nevertheless, quite recently in January of this year, a member of the FBI (American Intelligence) was careless and said he had a list of persons suspected of subversive activities and that in this list were 11,000 Canadians. This was raised in the Canadian Parliament. Who gave the list to the FBI? Who made it—the Canadian Police or someone else? One must say that everyone who participates in the movement for peace is listed as a suspect of subversive activities.'

"Furthermore," Endicott emphasized, "he is not allowed to enter the United States, in spite of the fact that according to international agreement any citizen of either country has the right to travel without visas.

"I cannot say," said Endicott, "that conditions in Canada differ from those in America. If Partisans of Peace call a meeting, police have the right to close their premises (Endicott said he was misquoted here and was referring only to Quebec; Ed. Note). If a Canadian invites some friends and if these friends express positive opinions about the Soviet Union, or mentions the USSR takes good care of children, the police have the right to say it is in 'defense of communism' to put this Canadian out in the street and seal his flat. He is not allowed to even complain to the courts. . . .

"I think it is quite right to say that democratic freedom in the U. S. has come to naught."

This ended Endicott's part. The story wound up with a single paragraph reference to Rogge:

"Correspondent Rogge stated that in some respects he does not agree with Kent (Rockwell Kent, U. S. artist who was a U. S. delegate) and Endicott. It is his opinion that although the United States had abolished many civil rights, there are still some freedoms."

"Moscow Means Peace"

But this was only the mildest of Endicott's blasts at his homeland and the U. S. Another publication, called Pioneerskaya Pravda, March 31, reported what he said to the so-called peace conference. It was headed: "Moscow Means Peace." The text:

"I can breathe freely in Moscow. In your country at every step I hear the beautiful word 'peace.' The quiet headlines of your newspapers . . . books . . . paintings . . . films.

"Moscow is peace. I have seen it with my own eyes. Only a creative people could create under the ground such a marvel like the Moscow Metro.

"Only a peaceful nation brings up its children in the spirit of respect and love for other nations. Across the ocean in Canada and America everything is different. Instead of new apartments, airdromes and military bases are built there. The headlines shout about war. Dirty booklets praise the future war. War looks out from paintings, films. The heads of American children are stuffed with Fascist delirium. It is preached to them that Americans are a higher race, called to rule over all nations.

"Lies and slander. Again lies and slander . . . They are the weapons of the warmongers. I cannot stand any lie. I wish to shout loudly: do not believe the American papers. All the 1,750 bourgeois papers of America are telling lies.

"I am 52. I know what war means. I fought at Ardennes . . . the Battle of Cambre. But I was blind then. I did not understand who starts these murderous wars . . . to whom they are necessary. I did not understand what imperialism means. I happened to understand it much later . . . in China in 1925 . . . the inhabitants of Yangchow refused to buy expensive British goods. Then two British gunboats came up to town and began to thunder . . . I saw ruined cottages . . . wounded and the dead. It was so everywhere. In China, India, Africa. British and American merchants were followed by battalions of soldiers. I was quite naive then. I thought one could influence the aggressors by speeches."

(Endicott then referred to his service in China as advisor to Chiang Kai-shek and how he became convinced Chiang was an enemy of the people, how he returned to Canada and reported to the Canadian Government.)

"In vain I waited . . . but there was no answer. I understood then that the Canadian Government had no answer, that it was supporting not peace or democracy but fascism and war. And I decided: one must fight for peace.

"In Canada alone there are 200,000 partisans for peace. It is not a small number, taking into consideration that people who fight for peace are persecuted like criminals. . . .

"The Soviet people, the people who defeated the enemy at Stalingrad and who saved mankind from fascism, is heading the battle for peace. Now the Soviet Union is again standing at the head of the greatest historical battle—the battle for peace, and victory will be on the side of peace."

WARREN H. WILKES

has been appointed vice-president and a director, Tandy Advertising Agency Ltd., Toronto.

U.K. Textile Men to Study Canadian Trade Complaints

Top British textile men were this week finalizing plans to come to Canada and see for themselves what led to the blast of criticism let loose last month at British woolen and worsted houses by Canadian clothing manufacturers.

They were having second thoughts about their first indignant blanket rebuttals of Canadian charges, were now admitting that some trouble did exist and had gone on record as saying that the Canadian charges would be looked into very carefully, The Post learns.

At the same time they were making it known that they had some serious complaints to make themselves about the way business was being handled in Canada; were saying also that Canadian customers were making some demands that were "impossible."

What was planned by way of on-the-spot investigation was: visits to principal Canadian clothing factories and cloth inspection houses; full-dress discussions with factory principals, importing and cloth examining houses and other interested parties

Want the Facts

To conduct this investigation the National Wool Textile Export Corporation of Great Britain — which was responsible for the Wool Textile Mission sent to survey the Canadian market in 1948 — had detailed top executives to "get the full facts on specific charges, chapter and verse" while they were in Toronto for the corporation's big exhibit at the Trade Fair (May 29—June 9),

In Montreal and Toronto, Canadian clothing men this week said they welcomed this investigation.

From Bradford, headquarters of the British wool textile industry, meanwhile, came some considered over-all views on the situation. From these it appeared that the British were taking the position that difficulties, where they existed, could be attributed to:

1. Demand from Canadian clothing manufacturers for styles and designs that are "difficult or almost impossible to produce."
2. Over-strict inspection standards set up by Canadian examining houses resulting in unjustifiable rejections.
3. Changed conditions in the Canadian clothing market with consumer resistance being felt all down the line.
4. Unfortunate experiences with smaller, inexperienced mills who'd tried to get in on the dollar drive.

What U. K. is Doing

In a general statement on the British woolen and worsted trade's attitude to the Canadian market, British sources said that far from being indifferent to the market the industry was bending over backwards to do all it could to meet very difficult demands and conditions.

It was alleged that a number of Canadian firms were taking advantage of the highly controversial question of cloth quality standards to relieve themselves of heavy commitments by making unjustifiable rejections.

The Canadian and U. S. markets, said one authority, have always been "most difficult" on the matter of standards and today are even more so.

With the demand predominantly for finer, clean-cut cloths which show up every minute flaw, he pointed out, it had become obvious to many traditional exporters that the Canadian importer had altered his standards in many cases to the extent of requiring the unattainable. Some of the styles and designs asked for, he said, would not even be attempted by Canadian or American mills.

Then he said, there had been a tightening up on examinations in Canada which was leading to protests from British interests "at the very highest level."

There was bound to be trouble, he said, if Canadian and U. S. importers did not combine with their very difficult style and design demands a more reasonable attitude on standards since, as every worsted man knows, the perfect piece of cloth has never yet been woven.

On deliveries it was agreed that little could be said. As more and more orders, especially from the dollar markets, had piled up, deliveries had become more and more extended and this was as great a cause for concern to the British wool textile industry as it was to the importer in North America; until there was a reduction in demand or an increase in the labor force little could be done.

It was also argued that many of the Canadian complaints probably arose through the entry into the market of smaller, inexperienced firms unfamiliar with requirements; that any firm adopting a "take-it-or-leave-it" attitude was not a traditional exporter to Canada, had a long order book in other markets.

Meanwhile there was going to be a very full investigation into the whole situation.

Cdn. Sumner Iron Had Active Year

Canadian Sumner Iron Works, Vancouver, engaged in a sizeable expansion and modernization program in 1949. Plans were drawn up early in the year for addition of 10,000 sq. ft. of floor space in the foundry manufacturing, and installation of a 5-ton electric furnace to manufacture mild steel, alloy steel and manganese steel castings.

Production facilities were concentrated on completion of sawmill and pulpmill machinery for Australian clients; these contracts were completed and shipped in fall of 1949. During last year and continuing well into summer and fall of 1950, manufacture of pulpmill machinery for new Columbia Cellulose Co. plant at Watson Island will be in progress along with other equipment contracts for pulp and paper industry.

U.K. Marconi To Fill CBC TV Requests

MONTREAL (Staff) — Canadian Marconi Co. has received an order for $300,000 television equipment which will be supplied by its affiliate in England, Marconi Wireless Telegraph Co., Chelmsford, it was announced last week.

The equipment includes television cameras, studio control apparatus, film and slide projectors, and monitoring, synchronizing and control equipment. Manufacture will be started immediately, with deliveries scheduled to fit in with CBC plans to have its first TV stations ready the latter part of next year.

The new gear, which is destined for the Toronto and Montreal stations, will be built to CBC specifications to meet Canadian requirements and operating conditions, company states. Installation will be carried out by Canadian Marconi in collaboration with CBC engineers.

Calling Tenders In Maritimes Marsh Projects

From Our Own Correspondent

AMHERST—With the calling for tenders for dyke construction large-scale operations in marshland reclamation work in New Brunswick and Nova Scotia will get under way this spring.

The Maritime Marshlands Reclamation Administration will receive tenders up to May 10 for six major projects calling for construction of 43,700 feet of new dykes and reconstruction of some 40,000 feet of existing dykes.

Dykes in the following areas will be built and reconstructed: Westcock Marsh, near Sackville, 4,000 feet of new dyke and 14,000 feet of reconstruction; Queen Anne Marsh near Granville, N.S., 4,000 feet of new dyke and 14,000 feet of reconstruction; Victoria Diamond Jubilee Marsh, near Truro, N.S., 9,000 feet of new dyke and 3,000 feet of reconstruction; Dentiballis Marsh, near Granville Ferry, N.B., 4,700 feet of new dyke and 5,300 feet of reconstruction; Truro Dykeland Park Marsh; 12,000 feet of new dyke and 6,000 feet of reconstruction; Lower and Middle Coverdale Marshes in Albert County, N.B., 10,000 feet of new dyke and [illegible],000 feet of reconstruction

For May Investment...

Security	Rate	Maturity	To Yield Approx.
Government of Canada Guaranteed Canadian National Railway	2⅞%	1966/71	2.87%
Province of Ontario	2¾%	1973	3.00%
Province of Quebec	3 %	1963/65	2.93%†
Province of British Columbia	2¾%	1968	3.03%
§City of Hamilton	3 %	1961-65	3.00%
§Lachute P.Q. Catholic School Commissioners	3½%	1961-80	3.50%
British Columbia Electric Co. Ltd.	3½%	1975	3.57%
Canadian Pacific Railway Co.	3⅛%	1970	3.16%
Imperial Oil Limited	3 %	1969	3.04%
Page-Hersey Tubes, Limited	3⅛%	1965	3.08%
Brantford Cordage Co. Ltd., no par	$1.00	Class "A"	6.61%
Canadian Celanese Limited, $25 par	$1.75	Pfd. Shs.	4.38%
International Metal Industries Ltd., no par	$2.00	Class "A"	6.72%
Massey-Harris Company Limited, $20 par	6¼%	Pfd. Shs.	4.38%
Shawinigan Water & Power Co., $50 par	4½%	Pfd. Shs.	4.28%
Brazilian Traction, Light & Power Co., no par	$2.00	Com. Shs.	8.56%
Burlington Steel Company Limited, no par	$1.00	Com. Shs.	6.25%
Dominion Bridge Company Limited, no par	$1.60+1.00	Com. Shs.	5.65%
National Hosiery Mills Limited, no par	$1.60	Class "B"	7.11%
Powell River Company Limited, no par	$2.00+1.25*	Com. Shs.	6.31%

†Yield calculated to first call date. §If, as and when issued.

*Indicated dividend, not including special distribution of $1.50 payable June 15, 1950

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R.C.M.P. Will Come A-Calling If U. S. Dollar Premium Kept

The chisellers who soil Canada's hospitality reputation by refusing, sometimes pointblank, to give visitors the official 10% premium on their U. S. dollars had best mend their ways—if they want to stay out of trouble in Ontario.

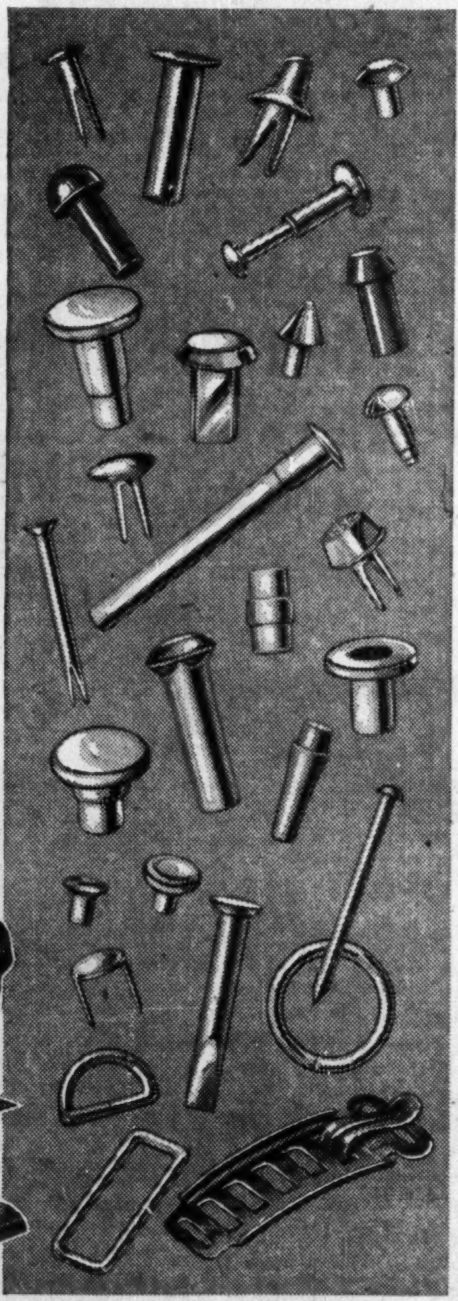
This week, Ontario's Department of Travel and Publicity threw aside its "kid glove" policy of dealing with complaints it receives on this matter.

Because the department is meeting the visitor and because U. S. residents usually aren't familiar with our governmental set-up, complaints on this score often are heard by the Department before they reach the Foreign Exchange Control Board.

Up until now, the Ontario Department hasn't been reporting the complaints to FECB. Instead, it has sent a man round to have a chat with the offender, hoping to clear up the practice by "reasoning" with him.

But lately there's been the odd nasty complaint.

Nettled by this obvious sabotage of the province's promotional activities, Deputy Travel Minister Tom C. McCall called off the "reasoning" approach. In future, his department will refer all such complaints to the Foreign Exchange Control Board. There, they are placed in the hands of the RCMP for investigation, and, if warranted, prosecution.



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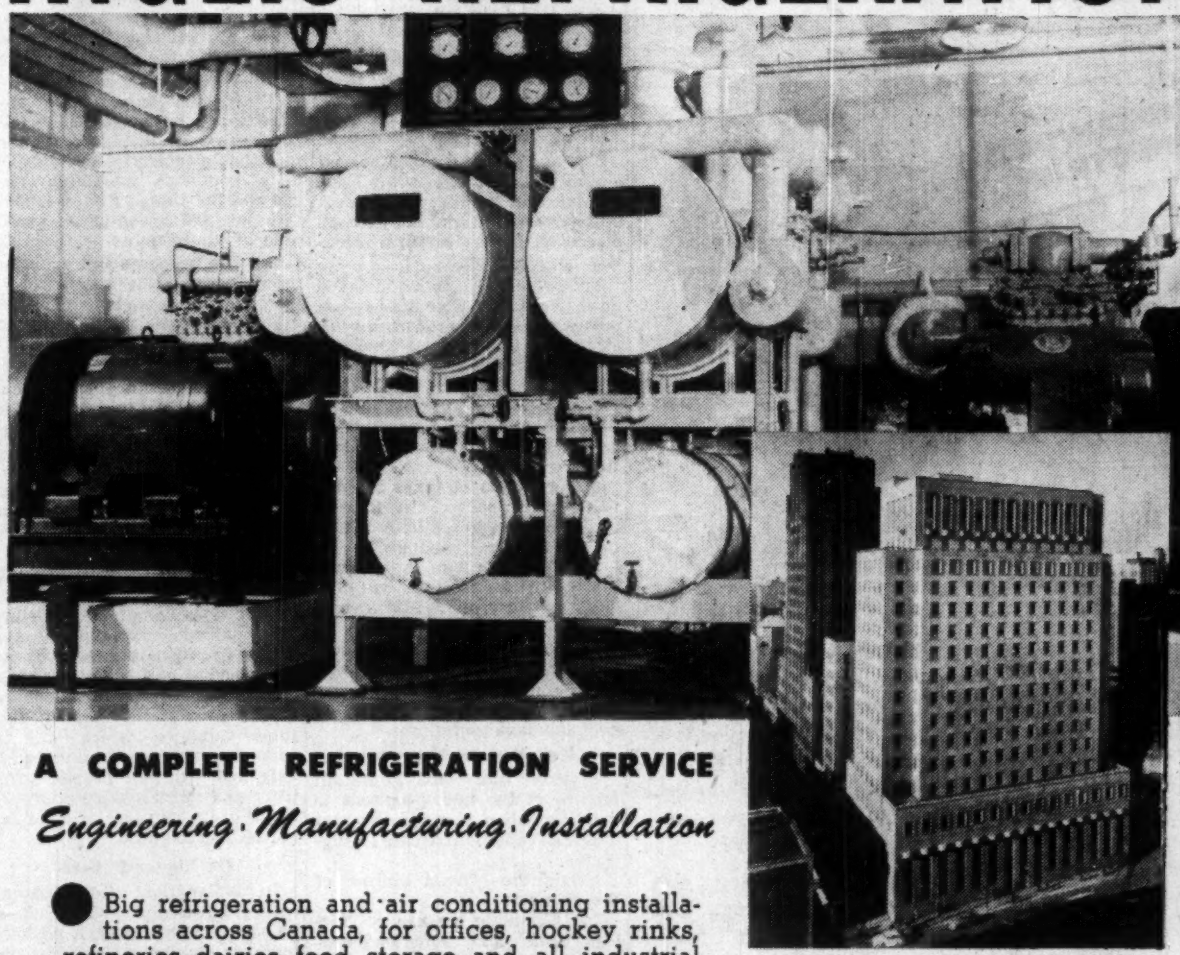

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Mining Company's Secretary

KENNETH M. OSTRANDER

Vice-President of the well known chain of Jewellery Stores, Ostranders Limited; President of Ostranders Holding Company Limited, who has been elected Secretary of ALWYN PORCUPINE MINES LIMITED. *

LONDON CALLING—*By Adelphi*

Churchill In Fine Fettle Has Socialists Backed Into Corner, Held To The House

LONDON—There was much political excitement this week when Churchill arranged to challenge the Government on two major divisions. With the shrewdness of a great tactician he made a speech two days before the vote when he mentioned the word "coalition." At this the nine Liberals looked up with a new hope in their eyes. They know that next time, if they fight as an independent party, their days are over.

Following Churchill's speech the Liberals went into a huddle and after three hours managed to come to a unanimous decision—they would follow Churchill into the Lobby.

The Whips counted their casualties and tried to estimate their over-all strength. It was rumored that Ernie Bevin had offered to come from hospital, and it is certainly true that Tory Quintin Hogg, who is suffering from concussion, offered to come on a stretcher, but they were both excused.

An hour before the Divisions the Socialist Chief Whip gave Prime Minister Attlee his estimate that the Socialist vote would be 304. Simultaneously the Tory Chief Whip handed Churchill his forecast that the Tory vote would be 299. Both estimates proved absolutely accurate, which must be an all-time political record in whipping.

In each of the Two Divisions the totals were:

Socialists	304
Conservatives and Liberals	299

* * *

Churchill was in great fettle. Against the advice of some of his more cautious colleagues he has decided to carry the war to the Socialists without giving them any respite. Harassed ministers can be seen at any hour backing Tories into a corner and trying to arrange a "pair." No one knows whether to accept engagements away from the House. Naturally it is harder on the Socialists than the Tories, for it is the Socialists who are in the saddle and you can't unhorse a rider who has not mounted his steed.

On the night of the two divisions Churchill, although the divisions had taken place in the afternoon, was still at Westminster and in such high spirits that his voice and laughter could be heard wherever he went. His idea of heaven would be a place where there is an eternal scrap.

* * *

Election By 1951 Certain is Belief

No one believes now that the next election will be postponed until 1951. June or October should see the hustings aflame again, and if Churchill has his way it will be June.

In a few hours Parliament will be debating Anglo-Canadian trade and on your behalf I shall attend and report to you not only what is said but what is left unsaid. Harold Wilson, President of the Board of Trade, will be in charge and there may be some suggestion from the Tories that when he visited Canada last year he did not prove as popular as the Prince of Wales or the late Sir Wilfrid Laurier.

* * *

Don't Mention April In England Today

Don't mention the word April to any Britisher for some time. People who went on an early holiday to the South of France or Italy have been coming back half-drowned, half-frozen refugees and when they got here they found trains getting lost in the snow and a winter gale.

* * *

At Deal on the coast the English Golf Championship was played, this event being confined to Englishmen—not Britishers — with scratch handicaps or better. One of the finest scratch players I know did a qualifying round of 89. When they went out for the second qualifying round the visibility was about 10 yards, and no one could find the ball on the snow-covered fairway.

* * *

Fortunately the weather eased up for the running of the first classic of the season, the Two Thousand Guineas, which is the three-year-olds' preliminary for the Derby. The American horse, Prince Simon, just failed by a stride to win and is now a red-hot favorite for the Derby which is a half mile longer than the Guineas. In this week's race the Aga Khan's "Palestine" won and was escorted to the paddock by Prince Aly Khan in a wheel chair, being the sequel to a severe skiing accident. There was more enthusiasm for the horse than the Prince, for the marital affairs of the young man have grown a little tedious.

* * *

The announcement that Princess Elizabeth had canceled all future engagements did not take the nation by surprise. Naturally everyone is hoping that this time it will be a girl. The newspapers continue to speculate on Princess Margaret's boy friends, but so far the young lady has not shown any marked preference.

* * *

"Jim" Armstrong, who is head of Ontario House in London, gave a big cocktail party for the Lieut. Governor and Mrs. Lawson at the Dorchester. I noticed Lord Woolton there among the Anglo-Canadians and there were at least a dozen M.P.'s. Mr. Lawson has had a good press in London and, I think, a good time.

Major Armstrong still remains the best-looking emissary that any Dominion has sent to London. I hope my recording of this basic fact will not displease him.

The Canada Club, with Sir Walter Peacock in the chair, is to have Foreign Minister Lester Pearson as its guest this year. Not only the Anglo-Canadians but their British guests are hoping that he will speak fearlessly on this occasion and not be too discreet. Foreign affairs are just as much a Commonwealth affair as commercial affairs.

NATURE UNSPOILED

YOURS TO PROTECT

The REDSTART is one of the most brilliant warblers. A black and orange pattern makes him a most delightful sight as he darts in pursuit of flies and insects. Protect him—a beautiful bird and a valuable one. Look for him in thick, second-growth saplings.

YOURS TO ENJOY

CARLING'S

THE CARLING BREWERIES LIMITED
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ROBERT C. MORGAN

has been appointed secretary and a director, Tandy Advertising Agency Ltd., Toronto.

80% Homes Get Electric Power Here

Total of 86% of Canadian households are now served with electricity, with biggest advances in new housing and in rural areas.

The estimate is based on a statistical sample taken by the Dominion Bureau of Statistics for October, 1949.

Out of 3.5 million households in Canada, 3 million have electricity, the survey calculates. A remainder of 502,000 households still are only a potential market for power.

The biggest number of homes to be electrified are in farm areas. A total of 364,000 out of 725,000 farm households, or 50% are still not electrified. In small urban centres only 23,000 homes or 3% of households in these centres are not yet electrified, according to the estimate.

Other nonfarm homes outside metropolitan areas account for 109,000 non-electrified households, however. These are 21% of their class.

Canada's metropolitan centres are 100% electrified, according to the survey.

This figure represents almost no change from the picture in the 1941 census. The census is not entirely comparable, because it counted occupied dwellings and use of electric lights. But it showed 99.4% of occupied dwellings in cities over 30,000 population had electric lights.

Advance in electrification appears therefore to be mainly on the agricultural and small urban centre front, aside from, of course, new housing in metropolitan centres. In 1941 69.1% of 2.576 million total occupied dwellings had electric lights. In farm areas only 20.2% had electric lights. In rural nonfarm areas, 59.5% had electric lights. Urban areas under 1,000 population had 75% of dwellings with electric lights, but all other urban classes were over 90%.

In the present electrification picture, the survey shows, 48% of Newfoundland households are electrified; 43% of Prince Edward Island's; 86% of Nova Scotia's; 80% of New Brunswick's; 94% of Quebec's; 94% of Ontario's; 71% of Manitoba's; 54% of Saskatchewan's; 63% of Alberta's; 96% of British Columbia's.

Upper Canada To Raise Funds

Expand Mill From at Least 400 to 900 Tons Daily

Additional working capital is to be raised by Upper Canada Mines for its program of mine and mine expansion, President R. R. Brown informed shareholders at the company's annual meeting.

Form of the new financing hasn't been decided, but it was indicate that 225,173 shares remaining in the treasury would likely be sold. No bonds will be issued.

Daily milling rate has been advanced to 400 tons daily through installation of a new tube mill. Plans are being developed to expand capacity to 900 tons daily, but Mr. Brown stated that directors were uncertain as to whether that capacity would be sufficient to handle potential tonnage unfolding at the property. Work was reported to have been relatively limited in "B" zone where 1.5 million tons of ore were indicated up to the turn of the year.

Work on the 1,000-ft. sublevel and 1,125-ft. levels shows about 800 tons of ore per vertical foot in "B" ore body, but there is still a great deal of work to do to get the over-all picture both as to tonnage and grade. Among proposed projects are drilling for parallel structures to the north; drilling to cut "L" structure at depth; extension of No. 2 shaft from 1,750- to 3,000-ft. depth to give additional levels for development of "B" and "L" ore structures.

Preliminary testing of "B" ore structure has indicated considerable values in silver, lead and zinc over and above the gold content, Mr. Brown stated. Some of the tests ran above $3 a ton, but at present it is uncertain as to whether the ore body will prove sufficient lead-zinc content to warrant installation of concentrating equipment.

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Women's apparel experience is desirable but not essential provided applicant has a long record of successful operation and is familiar with the retail picture throughout Canada.

Generous salary plus bonus based on a percentage of sales and profits will combine to produce a large annual income for the right man. Reply, in full confidence, giving detailed information regarding retail history, qualifications, etc.

Retail Sales Department
HAROLD F. STANFIELD LIMITED
Dominion Square Building, Montreal

Will This Move By U. S. Cut Customs Tangle?

(Continued from page 1)

the Canada-U. S. committee of the Chambers of Commerce.

Covers Wide Field

Key matters covered in the legislation, include:

1. Overhaul and redefinition of present U. S. formulas for valuing merchandise imports and assessing duties. (The present "Foreign value" method is eliminated and definitions offered which are "commercially realistic.")

2. Special requirements for marking imported goods as to country of origin are eliminated.

3. Undervaluation penalties are eliminated where the importer is not at fault.

4. Admitted errors of U. S. customs personnel may be corrected without resort to the courts.

5. Travellers effects such as automobiles, bicycles, boats, horses, etc., are recommended for free entry in the same way as wearing apparel, etc., rather than having to be cleared in bond as at present.

6. Provision whereby non-residents in transit through the U. S. may take up to $200 of goods without bonding and without payment of duty.

7. Chemicals and other special groups now assessed on the basis of American "selling price" as a protective measure are to be placed on the new uniform valuation basis proposed.

This change is to be delayed until the Tariff Commission can prescribe higher rates of duty so as to maintain present levels of protection. (The chemical groups are included in the recent items for negotiation at Torquay so that presumably the new higher rates will be reviewed at that time.)

8. New basis of taxes for distilled spirits, cheese, etc., so as to equalize treatment of both domestic and imported products.

9. Informal entries (not requiring certified invoices, etc.) to enter up to a value of $250 instead of $100 as heretofore.

10. New provisions to ease currency conversion by substituting International Monetary Fund par values in place of antiquated gold standard procedures.

New Basis of Valuation

Probably the most important feature of the new proposals to most Canadian firms is the new basis of valuation which is suggested.

Here's the official outline of the changes:

(a) Eliminate the use of "foreign value" and "American selling price" and make the "export value" the preferred method of valuation if it can be ascertained.

(b) If neither "export value" nor "United States value" can be ascertained, appraisement is to be made on "comparative value" before resort is had to "cost of production," which term is to be changed to "constructed value"—a more descriptive term.

(d) In determining "United States value, the actual commissions, profits, and other deductions are to be used, not arbitrarily limited amounts.

(d) In determining 'United States value" of new lines where there is no previously established trade, the earliest actual sales of the merchandise undergoing appraisement or similar merchandise may be considered if made before the expiration of 90 days after importation.

(e) A definition for "comparative value" is furnished which states that it is to be the equivalent of "export value" ascertained or estimated from sales or offers of other merchandise which is comparable in construction and use with the merchandise undergoing appraisement. In the case of "constructed value" the actual addition for general expenses, profits, etc., are to be used, not prescribed percentages which may exceed the actual figures.

Actual Sales May Be Used

(f) The appraiser may use actual sales instead of offers in determining "export values" United States value or "comparative value."

(g) A definition of "freely sold or offered for sale" is provided for the first time. It will permit determination of values on the basis of sales or offers which are unrestricted except for restrictions which are imposed by law, limit the resale price or territory, or else are trivial with respect to the value of the merchandise to the purchaser.

(Under the present law, the price must be available to all purchasers, in disregard of the fact that commercial practice in many countries, including Canada and the United States, makes different and lower prices available to wholesalers.)

(h) The proposed bill provides definitions for the words "ordinary course of trade," "purchasers at wholesale" and "such or similar merchandise."

(i) It also defines "usual wholesale quantities" in such a manner as to mean the quantities in which the greatest aggregate quantity of the merchandise is sold, whereas under the present law, the usual wholesale quantity is the quantity in which the largest number of individual transactions occur.

(j) Purposes of these amendments respecting valuation are described as being: (1) To eliminate unnecessary expense and delay in the appraisement of merchandise and thus to achieve greater administrative efficiency; (2) To provide a system of customs valuation which will be commercially realistic and equitable and will not require arbitrary and unreasonable additions to the ordinary value of some imported merchandise."

On Liquor Imports

In explanation of the change respecting liquor imports, it is pointed out that present customs methods discriminate against imported spirits because domestic spirits are nearly always above "proof" (50% or more alcohol) at the time of tax payment and are taxed on the "proof gallon" basis.

Imported beverage distilled spirits are generally under proof at the time of importation and are taxed on a straight volume basis (wine gallon basis, so-called). The net result is that in the case of below-proof importations the full distilled spirits tax is paid on a quantity of water which has been used to "cut" the spirits or reduce the percentage of alcohol.

Under the provisions of the bill, all taxes and duties would be calculated in future on the proof gallon basis.

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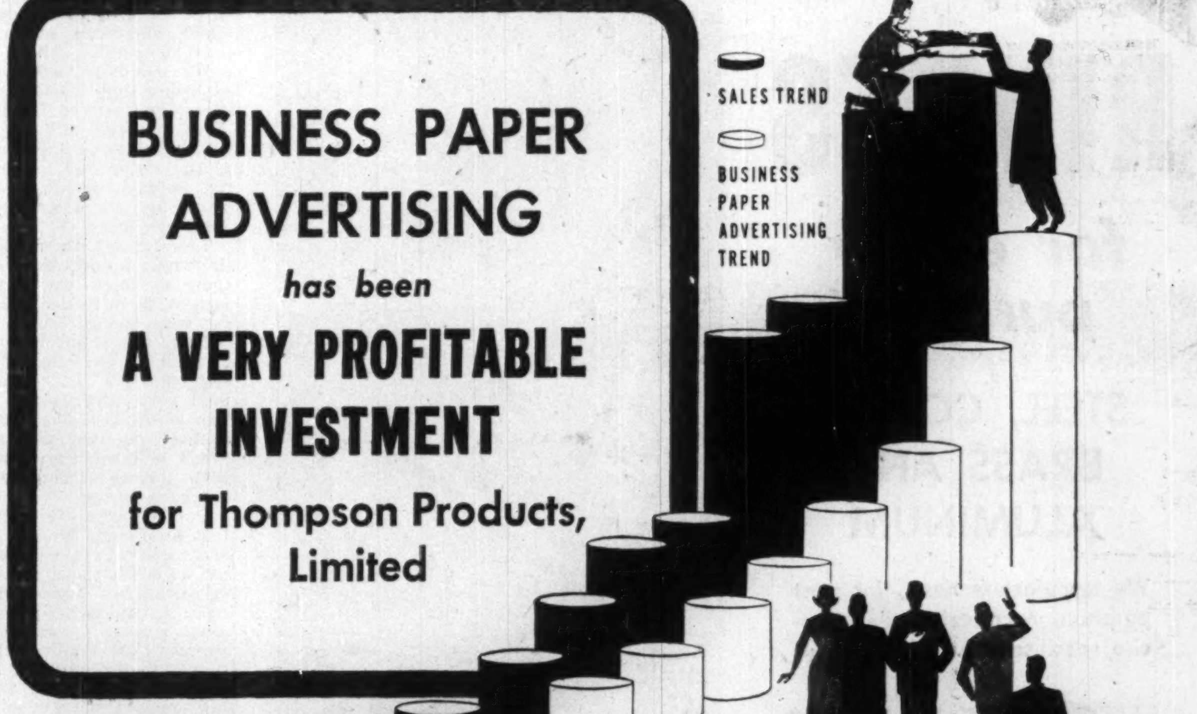

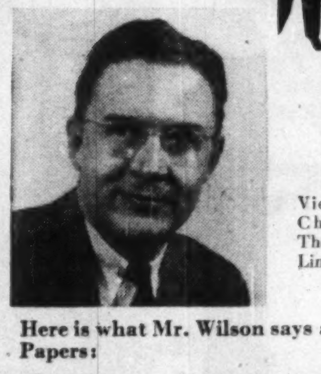

BUSINESS PAPER ADVERTISING has been A VERY PROFITABLE INVESTMENT for Thompson Products, Limited

J. C. WILSON, Vice-President in Charge of Sales, Thompson Products, Limited.

Thompson Products, Limited, St. Catharines, Ontario, makes precision products and accessories in mass-production volume, for three major markets: automotive original equipment, automotive replacement service, and aircraft manufacture as well as the production of detachable rock bits for blast hole drilling for Canada's mining industry.

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Director

JESS KAPLAN

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LABOR ROUNDUP

By RONALD WILLIAMS

Stelco Settlement May Pave the Way For Two-Year Peace in Steel Industry

The foundation for at least two years of industrial peace on wages and hours may have been laid in Hamilton this week when the Steel Co. of Canada and the pace-setting CIO steelworkers settled.

Besides setting the pattern for 1950, the agreement pretty well set it for 1951 as well; in effect, the settlement was a two-year contract on wages, at least. This confirms a trend toward wage stability. Two-year contracts have already been negotiated in the Nova Scotia coal mines and other industries; it's now an issue in the nation-wide building dispute.

This year, Stelco workers will get a 40-hour week plus an 8c hourly raise. This won't entirely compensate in take-home pay for the four-hour reduction in the work. There will be a slight pay cut but they will be working four hours less for what they get.

The new base rate will be $1.12 against $1.04.

Next April 1, when the 1950 contract expires, workers will get a further raise of 5c under this week's agreement. The implication is that the steel union has agreed to settle in advance for 1951.

As expected, pension demands were dropped. Stelco has had a non-contributory pension scheme for 30 years. Benefits are as high if not higher than Ford's recent $55 a month settlement.

Now the big question is; what is the union going to do at Algoma and Dominion Steel, the other two major units in the basic steel industry?

Algoma doesn't have a pension scheme at all. Does this mean the union is going to hold out for pensions similar to those at Stelco plus the 13c two-year wage package? To maintain industry-wide wage uniformity, they will have to get the same wage concession. But can they get the same pension plan too?

At Dosco, the union predicament isn't quite so acute, since Dosco has a pension scheme.

Originally, the union demanded $100 a month pensions from all. The general feeling is that, if they can get Stelco wage settlement, the union won't press Algoma and Stelco too hard on pensions. The big push there may come when Ottawa makes up its mind on national old age pensions.

• • •

United Church Gives Warning

Organized labor got an earful last week from a source which had previously given chiefly pats on the back: the Board of Evangelism and Social Service of the United Church went on record to call on "powerful and rich unions" to halt their drives for higher wages and shorter hours.

The surprise attack was contained in the report of Board Secretary, Dr. J. R. Mutchmor. It was prompted, declared Dr. Mutchmor, by the urgent need to do something to relieve the plight of Canada's "new poor"—mainly white-collar workers in the low income class.

"To demand bigger wages and high pensions as the powerful and rich unions and railway brotherhoods are doing just makes it harder for the poor and especially the unorganized poor, to even exist," Dr. Mutchmor stated.

He also teed off on farm groups. He also went after industry.

LAZARUS PHILLIPS

has been elected a director, Montreal Trust Co. He is senior partner in the Montreal law firm of Phillips, Bloomfield, Vineberg and Goodman.

• • •

Armco Steel Anniversary

Last week in Guelph, Ont., and simultaneously in a score of spots in the United States, in South America, India, Australia, South Africa, employees of Armco Steel Corp. marked the birthday of the late George Matthew Verity, founder of Armco.

The Guelph ceremony was typical. In the Royal Hotel gathered the total working force of Armco Drainage & Metal Products, their wives, the eastern sales staff and branch managers from the West. Feature of the celebration was presentation to the Guelph Parks Commission of a combination slide, teeter-totter and swing for the children's civic playground.

Simultaneously, Armco employees the world over were observing Armco Founder's Day with similar gestures of public spirit. For the main purpose of the anniversary is the performance of some act of service to others in emulation of the Armco founder's lifelong concern for sound human relations in industry and community betterment.

Born 1886, Armco's founder died Nov. 6, 1942. In that span, he saw the steel mill he founded in 1900 grow into a world-wide enterprise giving employment to 30,000 in 65 countries.

• • •

"Shabby Scheme"

The Ontario Labor Relations Board requires that applications for certification must be accompanied by evidence that members claimed by a union are in "good standing." On this controversial point (unions argue it is whatever they choose to make it) the Board ruled last August that good standing means payment of initiation fees or regular dues.

In some plants, this set organizers back on their heels. It is a lot easier to sign up members if at first, there's nothing to pay.

The Labor Relations Board said this was the case at the Hahn Brass Co., New Hamburg, Ont., when an organizer for the CIO Steelworkers moved in a few months ago.

The story of how he and an international representative of the union tried to get around it has been unfolded by the Ontario Board.

The upshot: both were accused of trying to "obtain certification by fraud"; the steel union washed its hands of the affair; the international representative was asked to resign; the local organizer found himself in hot water with the Kitchener local of which he is president. Any action against him would have to come from his own local; the national office can only discipline men actually on its staff.

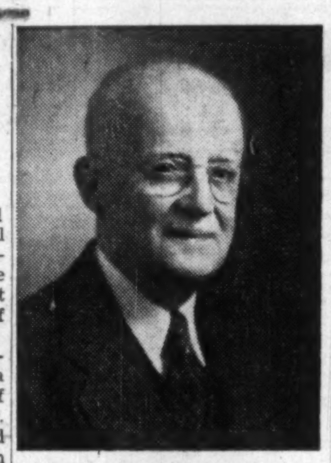
In rejecting the application, the Labor Board gave the details of what it called a "shabby scheme to deceive the Board." At the original hearing, the application was supported by duplicates of receipts and a ledger card indicating payment of $1 initiation fee.

Company counsel put an employee on the stand. He swore he had not paid anything, hadn't been asked to pay, and had no knowledge of the receipt which showed he had paid $1.

This led to further enquiry and a second hearing. At this, both union officials testified but were "notably lacking in candor," says the Board.

Shorn of its inconsistencies the Board added the organizer's story was that he found Hahn employees willing to sign application cards but unwilling to pay the initiation fee. He decided to pay the initiation fee himself. The money ($81) was turned over to the International representative and then returned to the organizer to deposit in a private bank account. If the application for certification failed, he would get his money back. Either way, he didn't stand to lose: if it clicked, the employees were prepared to pay up.

"We do not believe that there was any payment or movement of money whatsoever," declared the Board in its decision. "Nor are we able to discover any acceptable explanation for the receipts and ledger cards . . . therefore, the only purpose which the organizer and the international representative could have had was to mislead the Board . . . to obtain certification by fraud . . . the participants in such a shabby scheme . . . bring discredit upon themselves and do a disservice to the organization which they represent."



CHARLES FISHER

has been appointed a director, Plate & Structural Steel Sales Ltd., Toronto.

Will Speed Up Cycle Change Across Ontario

The program of changing Ontario's 25-cycle electricity districts to 60-cycle power using equipment will be speeded up and expanded in several directions in the next two months.

Nearly 50% more hydro consumers will have their equipment switched to 60-cycles this May than last in Area A, immediately east of Toronto. Speed up was announced by Ontario Hydro Electric Power Commission Chairman Robert H. Saunders. This month a total of 5,001 customers of all classes will have electrical equipment changed over from 25-cycles in the district, which extends as far north as Sutton, to slightly west of Bolton, east to Stouffville and south to Lake Ontario to Scarborough Township. (Scarborough Township has already been standardized.)

An average of 312 consumers will be changed over each working day, it's estimated. This is on the basis of an average of 16 "cutovers" a month. Of the consumers scheduled for standardization in May in Area A, 4,968 are domestic and commercial, 33 are industrial.

Work in Area B will also be accelerated this month. This zone extends from Courtwright, Sarnia and Point Edward on the St. Clair River in the west to slightly beyond Thedford, Arkona and Watford on the east and from just south of Oil Springs and Alvinston to Lake Huron on the North. Here 1,641 customers will change over in May as against 1,532 in May of last year. Of this year's total, 1,613 are domestic and commercial, 28 are industrial customers.

First "cutovers" or changing over of power supply will begin in area C in June. This area extends north to Lake Huron and Zurich and Hensall municipalities, as far east as Thorndale and Thamesford, south beyond Mount Brydes and Lambeth, and west of Strathroy. In June 1,422 consumers in all classes are scheduled for changeover.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BRITISH CANADIAN TRUST CO. Lethbridge, Alta. reports a consolidated 1949 net profit of $22,281, against $16,415 in 1948.

Liabilities to the public, etc., amounted to $928,830 ($808,764 in 1948) and were secured chiefly by liquid assets of $926,751 ($791,763) and real estate of $146,141 ($151,268).

Estates account totaled $2,507,654 ($2,398,782).

	1949	1948
Liabs. to public, etc.*	$928,830	$808,764
Shareholders' equity	291,025	278,956
*Secured by:		
Mortgages	118,471	116,127
Real estate	146,141	151,268
Fixed assets	28,492	28,562
Liquid assets♦	926,751	791,763
Total	1,219,855	1,087,720
♦Includes bonds and stocks.		
Estates account	2,507,654	2,398,782
Net profit	22,281	16,415
Earned per Share	$11.14	$8.21
Paid	5.00	5.00

GENERAL PRODUCTS MFG. CORP., London, Ont., consolidates its own figures for 1949 and those of subsidiaries for the year ended Nov. 30, 1949. Consolidated net profit, on this basis, amounts to $688,224. This is the first year that the consolidated figures have been shown and President A. S. Thompson hopes that steps will be taken in 1950 to end all fiscal years on Dec. 31.

Over-all sales and earnings in 1949 were at record highs, the only division not contributing to the higher earnings being Supersilk Hosiery Mills, which suffered from increased labor costs.

Well over $2 million has been reinvested in capital expenditures since 1943, thus completing much of the current program. Further expenditures will be required, it is stated.

Langmuir Paints is constructing a large addition to provide further stockroom and shipping facilities; Standard Tube Co. has a building under construction to increase plant area to 160,000 sq. ft.; Supersilk Hosiery Mills finished a new dyehouse in 1949 and is replacing older type knitting machines with ultra-modern types. A new industry—the manufacture of molded plywood—was established at Mac Craft Industries in 1949.

INCOME ACCOUNT

Years Ended Dec. 31:	▪1949	1948
Net earnings	$1,169,371	$457,638
Less: Taxes	481,147	140,000
Net profit	688,224	317,638
Less: Pref. divds.	29,122	19,897
Com. divds.	150,334	75,000
Surplus for year	508,768	222,741

▪Consolidated, including subsids. accounts for year ended Nov. 30, 1949.

Earnings per Share and Dividend Record:		
Pref.: Earned	$177.70	$81.38
Paid	5.00+2.50*	5.00
A & B	6.69	2.98
Paid	1.00+0.50*	0.75

*Payable Jan. 16, 1950.

CONDENSED BALANCE SHEET

As at Dec. 31:	▪1949	1948
Cash	$453,970	$214,684
Life ins., c.s.v.	16,011	7,526
Accts. rec.	999,228	342,733
Inventories	1,218,637	312,422
Total curr. assets	2,687,846	877,365
Prep. exp., etc.§	75,869	40,843
Investments	14,488	563,488
Fixed assets	2,920,308	1,343,989
Total assets	5,698,511	2,825,685
Total curr. liab.	696,701	268,253
Depreciation res.	1,729,656	804,100
Cont. & bd. debt res.	138,875	132,986
Capital stock	412,300	415,300
Surplus	2,720,979	1,205,046

§Incl. in curr. assets in co's report.

▪Consolidated balance sheet including accounts of subsids. at Nov. 30, 1949.

Working capital	1,991,145	609,112

DOMINION WOOLLENS & WORSTEDS LTD. shows a 1949 net profit of $169,268, off sharply from 1948's $312,822. Sales and production were down 14%.

Chairman J. W. Hobbs states that business in 1949 was dominated by wool prices, which experienced wide fluctuations. Stocks of cloth of the usual conservative merchandise, from which the greater part of clothing is made, were heavy and customers tried to reduce inventories to a minimum. New purchases were confined to style merchandise sold in smaller volume.

As new lines had to be styled and new markets found for them, operating costs were increased. Substantial price reductions were made, due both to the fluctuating raw wool market and competition from imported cloths, the landed cost of which was reduced following devaluation.

To cover the losses suffered, inventory reserve was drawn on heavily.

Mr. Hobbs reports that the current volume of business is reasonably satisfactory but margin of profit is subnormal. Every possible economy not prejudicing capacity to produce in volume is being effected.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Sales	$8,549,254	$9,710,350
Net earnings	*373,284	1,315,539
Less: Deprec.	80,000	168,200
Debt interest	73,327	75,601
Income tax	▪155,879	418,750
Inventory res.	▪540,000	340,166
Net profit	169,268	312,822
Less: Com. divds.	147,108	139,744
Surplus for year	22,160	173,078

*Loss. ▪Credit.

Times Bond Interest Earned:		
Before deprec.	....	17.40
After deprec.	....	15.18
Earnings per Share and Dividend Record:		
Com.: Earned	$1.15	$2.12
Paid†	1.00	0.95

†Incl. 25c paid in following year.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$41,986	$47,032
Accts. rec.	860,403	887,896
Inventories	4,087,215	4,308,550
Total curr. assets	4,989,604	5,243,478
Prep. exp.§	30,463	32,245
Invest. in subs.	8,898	72,778
Misc. assets	41,728	37,372
Fixed assets*	2,243,529	2,159,510
Total assets	7,314,222	7,545,383
Bank loan	2,164,000	1,162,000
Other curr. liab.	1,117,827	1,742,217
Total curr. liab.	3,281,827	2,904,217
Funded debt	1,501,200	1,574,100
Inventory res.	570,000	1,110,000
Capital stock	917,548	917,548
Earned surplus	1,043,647	1,039,518
*After depr. of	2,662,344	2,601,581
§Included in curr. assets in co's report.		
Working capital	1,707,777	2,339,261

INVESTMENT FOUNDATION LTD. net profit of $139,168 for the year ended March 31, 1950, was up 6.6% from the previous year. President A. S. Fraser reports that "income on the company's investments showed a satisfactory increase, with expenses moderately higher."

Market value of securities at March 31, 1950, was $2,370,210, or $3,518 higher than book value after taking account of the investment reserve. After deducting preferred shares at par, liquidating value of the common was $17.48, against $14.32 the previous year.

The company has elected to be taxed for the year ended March 31, 1950, and subsequent years, until further notice; shareholders resident in Canada are therefore eligible for the 10% tax credit. They are also entitled to deduct a 10% depletion allowance.

INCOME ACCOUNT

Years Ended Mar. 31:	1950	1949
Revenue	$162,679	$152,175
Less: Gen. exps., tax., etc.	22,879	20,908
Inc. tax res.	632	742
Net profit	139,168	130,525
Less: Pref. divds.	69,816	72,260
Com. divds.	42,000	35,000
Surplus for year	27,352	23,265
Earnings per Share and Dividend Record:		
Pref.: Earned	$6.07	$5.53
Paid	3.00	3.00
Com.: Earned	0.99	0.83
Paid	0.60	0.50

CONDENSED BALANCE SHEET

As at Mar. 31:	1950	1949
Cash	$31,954	$15,064
Accts. rec., etc.	14,281	13,508
Investments▴	2,371,647	2,388,529
Furn. & fixt.	1	1
Total assets	2,417,883	2,417,102
Accts., tax., etc., pay.	46,012	18,592
Invest. reserve	4,956	23,660
Capital stock	2,196,250	2,231,150
Surplus	170,665	143,700
▴Market value	2,370,210	2,174,262

Stenographers Score As Top Credit Risks

In granting credit, whom should you be most ready to trust?

A survey of occupational groups as credit risks answers the question in favor of stenos. It rates office employees first in a collection of 34 different callings.

The survey, by the National Retail Credit Association, was presented to the Ontario Association of Radio and Appliance Dealers' convention and reported by Hardware & Metal (Maclean-Hunter). Credit bureaus should be consulted on merits of individual applications, it stresses.

Here are the ratings the survey assigns occupations, using 100% as a perfect record:

1. Office employees	92.2
2. Retail grocers	89.8
3. Chain store managers	89.2
4. Other retailers	89.0
5. School teachers	86.4
6. Railroad trainmen	85.8
7. Railroad shopmen	85.2
8. Retail salespeople	83.2
9. Dentists	82.2
10. Doctors	80.4
11. Nurses	71.2
12. Farmers (owners)	70.8
13. Factory workers	70.0
14. Traveling salesmen	68.8
15. Service station employees	63.0
16. Factory workers (women)	61.0
17. Lawyers	60.8
18. Auto mechanics	60.0
19. Janitors	60.0
20. Farmers (tenants)	59.2
21. Brick masons	59.0
22. Firemen and policemen	58.2
23. Railroad trackmen	57.8
24. Coal miners	57.6
25. College students	55.6
26. Domestic servants	55.2
27. Carpenters	52.6
28. Hotel employees	48.2
29. Auto salesmen	47.0
30. Common laborers	46.0
31. Restaurant employees	44.6
32. Barbers	42.8
33. Truck and bus drivers	42.6
34. Painters and decorators	38.2

American Can To Build Plant

Construction of a new American Can Co. manufacturing plant at Chatham is to begin within a few weeks. Plant, which may cost more than $5 millions, is to have annual capacity of 300 million cans. Aim is to provide "on the spot" supply for southern Ontario's expanding vegetable belt.

The plant should employ 125 persons when production begins in January, 1951. Floor area will be 185,000 sq. ft. Latest design high speed automatic machinery will be used, company officials say, to make food cans exclusively.

It will be the sixth container manufacturing operation of the firm in Canada. American Can has a machine shop at Niagara Falls, other plants at Simcoe, Vancouver, Montreal, Charlottetown, Hamilton.

Provision will be made for possible expansion later. Giffels & Vallett of Canada Ltd. of Windsor are in charge of building plans.

Toronto Branch Elects Secretaries' Officers

At the annual meeting of The Chartered Institute of Secretaries, Canadian (Toronto) Branch, recently the following officers were elected; president, Dr. H. J. Cody; honorary vice-presidents, L. V. Sutton, Dr. W. J. Dunlop, Dr. S. E. Smith; chairman, C. O. Biggs, assistant secretary, Massey-Harris Co.; vice-chairman, F. E. K. Udell, manager, Barclays Bank (Canada); treasurer, J. Scully, office manager, A. Stein & Co.; secretary, C. B. Bell, chartered secretary. R. W. Newth, secretary-treasurer, Canada Printing Ink Co., was elected auditor. W. P. Gerald, S. J. Gadsby, G. A. Leonard and C. E. Whitten were elected to the council for three year terms.

CITY OF CALGARY SCHOOL BOARD new issue of $157,500 3¼% serial debentures due May 1, 1951 to 1965 have been sold to a syndicate headed by Cochran, Murray & Co. and including Fairclough & Co., Tanner & Co. and the Imperial Bank of Canada. The price was $100.514.

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Announcement
We have pleasure in announcing that we have opened a branch office at the corner of
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Full facilities have been installed for the conduct of a complete Investment Service, including direct wire connections with the Company's Wire System.
Mr. John A. Cunningham, our representative in Kingston for the past five years, has been appointed Manager of the Branch.
We are also pleased to announce that Mr. A. C. Edward, with long experience in the fields of banking and investment, is now associated with us.
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to the office of
Chairman of the Board of Directors
and of
MR. W. EWART YOUNG
to the office of President.
We are also pleased to announce
the election of
MR. JOHN S. DINNICK
to the Board of Directors.
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THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING APRIL 28

Range 1950 High	Low	Div R'te $	Apr28 Y'ld %	Company	Sales	Last Apr. 21	Week end. Apr. 28 H	L	Cl'se
29¼	21¼	2.00	7.3	Abitibi	13228	28	28	26¾	27¼
24¼	22	1.50	6.3	Do. $1.50 pf.	10100	23¼	24	23¾	23¾
25½	22¾	1.00+■1.15		Acadia Atl. A	1065	24	24	23¾	23¾
105	100¼	5.00	4.8	Do. 5% pref.	30	102¼	103¼	100¼	103¼
13	7	■.50	...	Acme Glove	25	10	9¾	9¾	9¾
9	8¼	.60	6.6	Agnew Surp.	275	8¼	9	8¾	8¾
17⅛	13¾	.	...	Algoma Steel	4701	17¼	17¼	16	16¼
27	26	1.00	3.7	Alum of Can p	575	26¼	26¾	26¼	26¾
63¼	52¾	2.40	4.0	Aluminium, n.	2466	60	63¼	60	63¼
9	6¼	.	...	Amal. Electric	425	6¼	6¼	6¼	6¼
47¼	45¼	2.25	4.8	Ang Can Tel p	73	46¼	46¼	46¼	46¼

Range 1950 High	Low	Div R'te $	Apr28 Y'ld %	Company	Sales	Last Apr. 21	Week end. Apr. 28 H	L	Cl'se
19¼	17¼	1.20	6.2	Gatineau Pwr.	1475	19¼	19¼	19	19¼
109¼	105	5.00	4.6	Do. pref.	100	109¼	108	108	108
111	110	5.50	5.0	Do. 5½%	20	111	111	110¼	110¼
3.00	2.25	.	...	Gen. Bakeries	1850	2.90	2.90	2.85	2.85
34	29¼	1.00	2.9	Gen. Prod. A	115	33¼	34	32	34
20	17¼	1.00	5.3	Gen. St. Wares	290	19¼	19¼	18¾	18¾
106	100	5.00	4.8	Do. pref.	430	105	104¼	104	104¼
95	85	†1.00	..	Goodyear Tires	55	86	87	85	85
53¼	52	2.00	3.8	Do. pref.	135	52¼	52¼	52¼	52¼
19	14¼	1.00+†.15		Gt. Lakes Pap.	17135	18¾	19	18	18¼
44¼	40	2.50	5.7	Do. A pref.	385	43¼	43¾	43¼	43¾

Range 1930 High	Low	Div R'te $	Apr28 Y'ld %	Company	Sales	Last Apr. 21	Week end. Apr. 28 H	L	Cl'se
31	29	.	..	West Grocers.	300	30¼	30¼	30	30¼
35	31	2.00	5.9	Do. (A)	40	34¼	34	34	34
32¼	31	1.40	4.5	Do. pref.	5	31	31	31	31
27¼	20	1.00	3.8	Weston, George	408	26¼	26¼	26	26
102	100	4.50	4.4	Do. 4½% pref.	25	101¼	101¼	101¼	101¼
11¼	10⅞	.	...	Willson Stat.	50	11	11¼	11¼	11¼
100	97¼	5.00	5.1	Do. pref.	10	100	97¼	97¼	97¼
19	17	1.00	5.9	Wilsils	25	17	17	17	17
19	14	.	...	Windsor Hotel.	676	17¼	18	17¼	18
42¼	33¼	■1.40	..	Winnipeg Elec.	423	41	42	39	39¼
101	99	5.00	5.0	Do. pref.	5	100¼	100	100	100
30	25	†.25	...	Woods Mfg. pf.	100	25¼	26	26	26
13¼	13	1.60	10.8	Wool Combing.	20	14¾	15	15	15
17	13	†.12½	..	Zellers	4165	15¼	17	15¾	17
26¾	25	1.25	4.7	Do. 5% pref.	75	26¾	26¼	26¼	26¼
29¼	27¾	1.50	5.3	Do. 6% pref.	130	29	28¼	28¼	28¼

*On arrears. ▴N. Y. funds. ▴▴Participating div. °Net after income taxes. •Dividend deferred. ♦After stock split. ■Paid in 1949. ♦Plus extras. ‡Plus payments on arrears. †Paid or payable in 1950. ‡For each 20 shares held.

Mining Stocks

Week Ended April 28

Range 1950 High	Low	Div. Rate $	Apr 28 Yield %	Company	Sales	Last Apr. 21	Week Ending Apr. 28 High	Low	Close
.55	.35	....	....	Acadia Uran.	1,325	.51	.53	.50	.50
1.30	.72	....	....	Akaitcho	......	1.07	1.30	1.10	1.30
.28	.15½	....	....	Amal. Lard.	6,500	.20	.19	.18	.18

Oil Stocks

▴N. Y. Funds. ♦Extra. ■Paid or payable in 1949. ‡Paid in 1948. ♦Capital Distribution. †Payable in 1950

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
May 1	589,300	2,909,000	188,510	159,300	2,470,000
Apr. 29	166,100	1,459,000	132,745	68,758	1,410,000
Apr. 28	575,900	2,451,000	335,943	167,076	2,680,000
Apr. 27	652,400	2,295,000	185,294	136,512	2,490,000
Apr. 26	368,700	1,851,000	163,803	121,231	2,270,000
Apr. 25	357,000	1,703,000	115,563	......	2,250,000

BUSINESS BAROMETERS

	APR.	MAR.	FEB.	JAN.	Year Ago
MERCHANDISING					
■Dept. store sales (3)	—2	—9	+0.2	+4	....
Country store sales (3)	....	....	—1.5	—3.6	....
Retail store sales (3)	....	....	+8.9	+1.7	....
Wholesale sales index (1)	....	....	244.8	231.8	244.6
FINANCE					
Dividend payment index (1) (5)	210.3	212.1	212.4	213.8	217.2
Money supply (millions $)	....	....	4,413	4,386	4,091
NEWSPRINT CAPACITY					
Production ratio (7)	....	98.6	97.7	97.2	101.7
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	220.3	195.1	178.5	224.4
Cars (D.B.S.) (1)	....	163.7	157.5	147.2	163.9
COST OF LIVING					
D.B.S. (1)	....	163.7	161.6	161.0	159.2
EMPLOYMENT INDEX					
All industries (6)	....	....	187.3	194.0	190.5
Payrolls (June 1/41=100) (2)	....	....	209.1	209.0	207.1
MANUFACTURING					
Inventories (1947=100)	....	....	128.9	126.9	134.0
Employment (6)	....	....	198.8	199.7	202.6

	1950	1949	Jan. 1 to date 1950	1949	Change %
RAILWAYS—(000's omitted)					
■Carloadings (week Apr. 22)	71.9	73.8	1,099	1,155	—5.0
C.N.R. gross rev. (Mar.)	44,865	41,436	116,671	115,646	+0.9
C.N.R. net rev. (Mar.)	3,069	845	—852	—2,140	+60.2
■C.P.R. gross rev. (Mar.)	32,230	30,891	83,178	85,558	—2.8
■C.P.R. net rev. (Mar.)	3,264	814	1,363	319	—37.3
IRON AND STEEL PRODUCTION (000's omitted) (Feb.)					
Pig iron production (tons)	157	173	348	356	—2.0
Steel production (tons)	258	259	548	544	+0.7
CONSTRUCTION (000's omitted)					
Contracts awarded (Mar.)	75,114	67,588	196,581	203,703	—3.5
■Cement prod., bbls. (Feb.)	1,109	1,104	2,362	2,225	+5.1
AGRICULTURE (000's omitted)					
Flour exp., bbls. (Mar.)	806	710	2,481	2,358	+5.2
Wheat exp., bush. (Mar.)	9,984	10,512	28,763	35,650	—19.3
Cattle sales (Mar.) (4)	130.7	134.8	378.0	352.2	+7.3
Hog sales (Mar.)	523.9	414.2	1,259.4	1,050.6	+18.9
SEA FISHERIES (000,000's omitted)					
■Catch, lb. (Mar.)	23.5	23.8	221.5	191.4	+15.7
■Landed value (Mar.)	1.1	1.2	5.7	5.0	+10.4
NEWSPRINT (000's omitted)					
Production (Mar.) (7)	432	436	1,268	1,283	—1.2
Exports, tons (Mar.) (7)	427	420	1,207	1,251	—0.7
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Mar.)	1,917	1,635	5,439	5,230	+3.9
Gold prod. (fine oz.) (Jan.)	355	310	355	310	+11.5
■Petroleum prod. (bbl.) (Jan.)	1,927	1,356	1,927	1,356	+42.1
ELECTRICAL POWER OUTPUT (000,000 omitted) (Feb.)					
Total monthly kw.h.	3,771	3,400	7,842	7,101	+10.4
FOREIGN TRADE (millions of $)					
Imports (Feb.)	200.2	206.0	412.1	429.8	—4.1
■Exports (Mar.)	228.2	216.8	648.9	658.8	—7.6
FINANCE (millions of $)					
■Bank debits (Mar.) (8)	7,730	6,868	21,037	19,772	+6.4
Bond sales (Mar.)	969.7	881.0	1,780.8	1,280.3	+39.1
Life insurance sales (Mar.)	111.9	104.7	312.2	310.5	+0.5
OTHER INDUSTRIAL FACTORS					
Shoe prod. (Jan.)	2,509	2,529	2,509	2,529	—9.1
Cigarette cons. (000,000) (Mar.)	1,627	1,401	4,494	3,846	+16.8

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, ec.
(6) Base period 1926=100.
(7) Includes Newfoundland.
(8) Includes debits in St. John's, Nfld., since April only.

STOCKS NOT TRADED THIS WEEK

Company	Div. Rate $	Last sale	Apr. 28 Bid	Ask
Andian Nat.	▴■.40	8¼	7¼	8
Argus 4½% warr.	..	.15	.15	.25
Assoc. T. & T. A.	..	68	..	..
Ault & Wiborg pf.	5.50	103¼	100¼	105
Auto Fabric A .60+■.20		7	7	7¾
Barcelona	..	1.50	..	..
Bates & Innes	1.00	14	14	15
Beaver Lumb. 1.00+†.50		32	31	..
Do. pref.	1.40	28	28	..
Belding Cort.	6.00	167	165	..
Do. pref.	7.00	167	165	175
Bertram & Sons A	1.00	17¼	17	17¼
Biltmore Hats .40+■.10		6¾	6¾	8
Do. A	1.00	15	15¼	17
Bowes Co. A	.50	9	9¼	11
Brand. Hender.	..	9	9	10
Brazilian Tr. pref.	6.00	125	123¼	135
Bright, T. G.	1.00	21	15	21
Brit. Amer. Bank Notes	■.80	15¼	14¼	15¼
B. C. Packers B	.50	7¾	7	7½
B. C. Pulp & Pap.	..	100¾	..	105
Do. pref.	‡7.00	137	..	..
Caldwell Linen .80+†.20		16¼	12	14
Do. 1st pref.	1.50	30¼	30¼	31¾
Can. Bread pf. B	2.50	42¼	40	42
Can. Cr. Stone †.20+.20		13	13¼	15
Can. Floor B	.60	12¼	..	12
Can. Foils	.20	6¼	6	..
Can. Forg. A	1.50	28¼	..	28
Do. B	■1.50	45¼	..	60
Can. Iron pref.	.60	13¾	..	..
Can. Safeway pf.	4.50	100	100	..
Can. Starch	†.50	15	14	..
Can. Varn. 5% pf.	1.25	20	20	23
Can. Bakeries	†.20	9¼	9	10
Can. Bronze pref.	5.00	103	103	..
Can. Colliers°	†.15	2.30	2.40	2.50
Can. Convert. B.	..	8	6¼	..
Can. Cottons 2.80+†.50		45¼	..	45¼
Do. pref.	1.20	26¼	26¼	..
Can. Fairb. pref.	6.00	131	131	..
Can. G. Sec. A	†3.00	50	40	..
Do. B	†3.00	20	40	..
Can. Ice Mach.	..	5.00	4.00	5.00
Do. A	.80	12	10	12
Can. Indust. pref.	7.0	180	175	180
Can. Oil 5% pref.	5.00	101¼	101¼	105
C. Pr. & Pa. In. pf.	..	14	..	16
Can. Utilities	5.00	102¼	102¼	..
Can. Wallpaper A	■1.00	12¾	13¼	16
Cent. Can. L'n	8.00	202	201	210
Cent. Nor. Air. A	■.25	5.00	..	6.25
Do. B	..	2.00	..	2.50
Chart. Trust	1.00	29	31	33
Cinzano A	4½d	.35	.55	.75
Do. 5½% pref.	5½%	2¼	..	..
Circle Bar Knit.	..	7¼	7¼	8
Do. A	1.00	14¾	14¾	15
Cochrane-Dun A	.80	15	15	15¼
Do. pref.	1.20	25	25	..
Coghlin, B. J.	.80	13	12¼	13
Coll. Terminal .25+†.25		8¼	8¼	..
Do. pref. .25+†.25		8¼	8¼	..
Conduits Nat.	†.40	7	7	7¾
Cons. Div. Sec. pf.	1.00	15¼	15	..
Cons. Fire Co.	..	5	..	..
Cons. Litho.	2.00	28	27	30
Cons. Press A	•	5¼	5¼	6
Do. B	..	1.25	1.05	1.95
Corr. P. Box. 5% pref.	5.00	100	98¼	..
Craig Bit. pref.	.50	9¼	9¼	10
Crain R. L.	.40	8	7	..
Disher Steel	†.50	15¾	15	17
Dom. Ang. I. †3.00+6.00		109¼	110	..
Do. pref.	5.00	97¾	97¼	102
Dom. Dairies pref.	1.75	18¾	18¾	19
Dom. Fire	6.00	140	147	..
Dom. Malting	1.00	20	22	..
Do. pref.	5.00	101¼	100	102
Dom. Scot. Inv.	..	6¼	6¼	..
Dom. Square	†2.00	60	50	..
Dom. Tar & Chem. V.T.	1.00	28¼	22¼	22¾
Donnell & Mudge	■.20	2.25	2.25	2.50
East. Theat.	†3.00	27	22¼	..
Economic I. †1.00+1.75		52	52	53
Enam. & Heat.	1.00	19	19¼	20
Federal Fire . 2.00+†.25		50	48	..
Fisher A	..	11	11	..
Fittings	..	7¾	7¾	7¾
Flash Fast.	..	1.00	1.00	3.50
Do. pref.	1.00	13	..	12¾
Fleury Bissell	..	1.10	1.05	1.20
Do. pref.	•	9	9	15¼
Ford Motor B †.50+1.00		37¼	35¼	38
Freiman .30+■.25		10	9¾	..

Stocks Not Traded This Week (Continued)

Company	Div. Rate $	Last sale	Apr. 28 Bid	Ask
Do. pref.	4.50	90	90	..
Gen. Products B	1.00	17¼	30¼	..
Do. pref.	5.00	100	100	..
Gord. Belyea	2.50	57	..	..
Gord. Mackay A	.50	9¾	9¾	10
Do. B	1.00	17	..	17¼
Gould Pumps	1.00	65¼	..	..
Grafton & Co. A	1.00	19	18¼	19
Grand & Toy	.60	16¼	16	..
Gt. West Felt	†.30	5¼	5¼	6
Do. pref.	.50	6	5¾	7¼
Great West Life	20.00	440	440	..
Growers Wine	..	1.80	..	..
Hahn Brass †.30+4.20		17	16	16¼
Do. pref. 1.00+†4.20		21¼	21¼	22¼
Hartz A	.50	10¼	9¼	10¼
Hendershot Pap.	1.00	10	10¼	12
Hillcrest Coll.	..	.20	.05	.30
Holden Mfg. A	.60	8¼	7	10¼
Do. B	■.20	4¼	..	..
Holt Renfrew	..	25	..	..
Horner, F. W. pf.	.50	8¾	8¼	9
Ho. De La Salle	..	14	14	..
Hubbard Felt	■.25	4	..	..
Do. A pref.	1.50	16	..	16
Imp. Varnish 1.00+■.10		17	16¾	18
Do. pref.	1.50	31¼	31¼	..
Inter-City Bak. .80+†.10		13¼	13¼	14
Inter'c. Coal	†1.00	25¼	26	27¼
Do. pref.	8.00	115	114¼	..
Int. Metal Ind. pf.	4.50	103	103	104
Int. Mill. pref.	4.00	104	102	..
Int. Nickel pref.	▴7.00	148¼	148	..
Do. $5 pref.	▴.35	7¼	..	..
Int. Paints pref.	1.20	22	18	..
Jam. Pub. Ser. pf.	7.00	102	101¼	..
Lake of the Woods pref.	7.00	157	..	..
Lang, J. A.	1.00	17	..	17
Langleys	..	1.40	..	1.80
Do. pref	†1.00	52	50	60
Lawson & Jones A	1.00	18	18	19
Do. B	..	10¼	10¾	..
Legare pref.	■2.00	22	..	..
Levy Bros.	..	4¾	5¾	..
Lewis	1.00	9	9	10¼
Lindsay, C. W.	..	10¼	.10	..
Do. pref.	■4.00	110	..	115
Loew's Theatres	4.00	70	..	..
London Can. Inv.	†5.00	90	92	..
London Hose. .60+†.40		6	5¾	7
Do. A	.80	9	9	9¼
Mackin Steel	..	8	7¼	..
Do. pref.	5.00	90	90	..
Mailman Corp.	1.00	16	..	17
Do. pref.	5.00	94	..	94¼
Man. Sugar pref.	6.00	102	105	..
Maritime Tele. pf.	.70	18¼	15¼	..
McBrine	1.00	17¼	17	17¼
McCabe Grain A	.60	8¾	8¼	8¾
Do. B	.40	7	7¼	..
Mersey Paper	2.00	57	62	70
Mid. Pac. Gr.	1.00	14¼	..	15
Mod. Tool	..	8	5	5¼
Mon. Life 40% pd.	12%	140	136	144
Mont. Is. Pr.	..	.20	..	..
Mont. Refrig. & S.	■.75	35	..	..
Moore Corp. pf. A	▴7.00	298	300	..
Do. pref. B	▴7.00	450	450	..
H. Morgan pfd.	4.75	102	102	..
Morrison Brass	..	3.00	2.75	3.00
Murphy Paint	80	23	..	..
N. Sew. Pipe A	2.40	42¼	42	49
Nat. Trust	1.00	28¼	29	30
Neon Pr. of W. C.	80	15¼	14	..
Nor. Can. Mtge.	†.50	19¼	19	..
Nor. Trusts	.80	34	..	49
N.S.L. & Pr.	1.00	20¼	20	20¾
Do. pref.	6.00	112	111¼	..
Nuclear Ent.	†5.00	8	7	8
Ogilvie Flour pf.	7.00	168	..	167
Ont. Beauty Sup.	..	.60	.70	.70
Do. pref.	1.00	8	8	11
Ont. Loan	5.00	130¼	130	..
Ont. Steel pref.	7.00	135	128¼	..
Pacific Coyle	■.30	.45	.42	.49
Paton Mfg.	.80	19	10	..
Do. pref.	1.40	26	25¾	..
Penmans pref.	6.00	149¼	..	..
Photo Eng. †.75+.50		29	26	28
Premier Trust	2.00	53	53	55
R. & M Bear. A	1.10	21	..	..
Regent Knit. pref.	1.60	25¼	..	25
Reliance Grain	†8.50	15	2.50	..
Renold-Cov. A 1.10+.20▴▴		18	19	21
Rivers Mill B	■1.00	13¼	5	12
Roberts'n P.L. 2.00+†.50		48	50	56
Do pref.	2.50	44¼	48¼	..
Robinson Little A	1.00	15	15	15¼
Rolland Pap. pref.	4.25	76¼	75	..
Russell Indust. pf.°	7.00	605	..	..
St. Law. Flour pf.	7.00	142	..	142
Sangamo	†.17½	12	11	..
Sarnia Br. .40+■.40		7¼	7¼	8
Scythes & Co. 1.00+■.18		15¾	15¼	16
Do pref.	1.25	26	24¾	..
Sher. Wms. pref.	7.00	150	140	150
Shirriff's pref.	1.00	20	19¾	..
Sidney Roofing	.90	15¼	15	..
Silknit 1.00+†.40		17	16	17
Do. pref.	2.00	33¼	33¼	35
Simon & Sons	1.20	18	..	18
Do. pref.	5.00	100	99	100
Slater N. pref.	2.12	50	49	..
Sov. Life 25% pd.	7%	48	50	..
Stand. Clay.	..	16	8	..
Sterling Trust	6.00	121	122¼	..
Stovel Press pref.	.50	4.00	3.50	4.15
Sun Publishing	†.25	18¼	18¼	..
Sup. Pete. com.	†1.50	5	..	..
Do. pref.	1.50	27¼	..	..
Tamblyn 1.00+†.40		30	30¼	34
Theatre Props.	..	4	4	5
Tip Top Can. A	.50	9¾	9	9¾
Tip Top Tailors	.60	18¾	18¾	20
Tor. Mortgage 5.00+†.25		108	110¼	..
Traders Bldg. 1.00+†.25		20	20	..
Trad. Fin 4½% pf.	4.50	93	93	95
Do. A rights	1.00	18	18	20
Do. B rights	1.00	19¼	19¼	20
Tuckett Tob. P.	7.00	172	..	..
Twin City	..	14	13	..
Un. Amuse. A	1.00	36	36	..
Do. B 1.00+■.75		26	25	..
Do. A V.T.	1.00	35¼	36	..
United Corp. A	1.50	27¼	28	..
Uni. Distill.	†1.00	25	..	25
United Fuel pref.	3.00	53¼	..	..
Vir. Dare	1.25	20	18	20¼
Wabasso Cot.	1.00	15	14¼	..
Waterous Ltd. A	.80	9	9	10
Wellington Fire	3.50	58	..	90
Wesley Mason M.	5.50	94	92¾	96
West. Brew. . 1.60+■.25		29¼	..	..
West. Grain pref.	..	.75	.95	..
Do. pref.	..	24	23¼	..
West Koot. pref.	7.00	172	170	..
W'minster Pap. A	.50	9	8¾	9
Do. B	.10	3.75	3.15	4.00
Wilson, J. C. .60+■.10		10	..	10¼
Wood, A. & J. P.	‡7.00	115	113¼	..
Woods Mfg. pref.	†.25	25¼	26	30
York Knit. A	.40	5¼	5	5¼
Do. B	..	1.25	1.50	1.75

♦Plus extras. ■Paid in 1949. *On arrears. ▴N. Y. funds. °Net after income taxes. •Dividend deferred. ♦After stock split. ‡Plus payments on arrears. ▴▴Participating div. †Paid or payable in 1950.

Mining Stocks

Company	Div. Rate $	Last sale	Apr. 28 Bid	Ask
Alta.	...	.05	.03	.05¼
Band Ore	...	.05	.04	.05
Bayonne	...	.03½	.03	.04
Bouscadillac	...	.04½	.04	.05
B.R.X. Con.	...	.06	.05	.07
Bruce Cons.	...	.01	.00¾	.01¼
Celta Devel.	...	.04	.03	.04
Chromium	...	.95	.75	.95
Coast Copper	...	.75	..	.90
Cryderman	...	.01¼	.01	.01¼
Cuyuni	...	.25	..	.30
Flin Flon	...	.01¼	.01	.02
Fontana '45	...	.03	.03	.04¼
Forty-Four	...	.85	.75	.95
George Copper	...	.05	..	..
Golconda	...	.28¼	.21	..
Grandview	‡.02	.16	.16	..
Great Falls	...	.02	.02¼	.04
Grull Wihksne	...	.03	.03¼	..
Halcrow Swayze	...	.04	.04	.05
Island Lake	...	.00¼	.00¼	..
Island Mountain	▴.07	1.15	1.10	1.15
Jack Lake	...	.03	.03	.04
Kerr Lake	*‡.05	.30	.22	..
Kootenay B.	...	.25	..	.35
McGillivray C.	...	.06	.06¼	.09¾
Mentor Explor.	...	1.25	1.00	..
N. Louvre	...	.04¾	.03½	.04¾
Normandy	...	.00¾	.01	.03
North. Empire	▴.15	1.65	1.55	1.75
Packsack	...	.02	.01¼	..
Parbec	...	.04½	.04	.05
Pato Cons. G.	...	3.80	3.65	..
Pitt. G.	• ...	.06	.05	.06
Placer Devel.	.50	15.00	15.00	16.00
Prem. Border	...	.03¼	.03¼	..
Privateer	...	.13	.12¼	.13
Quatsino	...	.08	.06¼	.08
Red Cloud	...	.01	.00¾	.02
Red Crest	...	.05	.04	.05
Red Hawk	...	.02¼	.02	..
Renabie	...	2.75	2.60	2.05
Rice Lake	...	.01¼	.01¼	..
Ryanor	...	.06	.06¼	.09
Silbak Prem.	...	.34	.35	.37
Silver Ridge	...	.08	.09	.10¼
Soma Duv.	...	.04	.03	.05
S. Amer. G.	*▴.25+.05	1.10	..	..
Star Lake	...	.00¾	.00¾	.01
Taku	...	.14	.13	.15
Taylor B.	...	.35	.33	..
Tiblemont	...	.05	..	.05
Toburn Gold	...	.39	.35	.49
Towagmac	...	.09	.08	.09
Utica	...	.04¼	.04¼	..
Vananda '48	...	.16¼	.15¼	..
Vicour	...	.11¼	.10¼	.11
Wellington	...	.03¼	.02¾	.03¼
Winchester	...	.07	.06	.07
Winnipeg R. Tin	...	.01	.01	.01¼
—OIL STOCKS—				
Commoil	.01	.55	.55	..
Marvel	...	.02	.02	.03¼
Mill City	...	.09	.09	.09¾
Royal Crest	...	.04	.04	.06
Texas Can.	▴♦1.85	.40	.40	..
Three Point	...	.06	.06	.10
Vul. Brown	...	.20	.15	..
Warner	...	.03	.03	.04
York Oils	...	.08	.08	.10

▴Paid or payable in 1949. ‡Paid in 1948. *N. Y. funds. †Payable in 1950. ♦Capital distribution.

Bond Tenders

12 noon, May 4, 1950, Government of Canada Treasury Bills, payable Aug. 4, 1950, $75,000,000, dated May 5, 1950.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
♦Gurney Fdry. 1st m'ge. bds.	4%	1967	May 8	103
♦H. Walker-Good. . deb.	2¾%	1966	May 1	102½

♦AA o/s.

Company Meetings

1950	Company	Place
May 5	Conwest Explorations	Montreal
May 5	Falconbridge N.	Toronto
May 8	Goldbeam M.	Whiteshell, Man.
May 9	Can. Machine	Galt, Ont.
May 9	Conwest Exploration	Montreal
May 10	Amer. Nepheline	Toronto
May 10	Int. Paper	New York
May 12	Dom. Coal	Montreal
May 15	Teck-Hughes	Toronto
May 16	General Petroleums	Calgary
May 17	Inter-City Baking	Montreal
May 17	Lamaque G. M.	Bourlamaque, Que.
May 18	Sherritt Gordon	Toronto
May 20	Intl. Petroleum	Toronto
May 22	H. R. MacMillan	Vancouver
May 23	Cred. Fonc. Franco-Can.	Paris, France

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$24.50	$24.16	$21.25
Hogs	26.10	26.10	29.85
Copper, lb.	.18½	.18½	.23¼
Sugar, raw, lb.	.05	.0505	.0510
Coffee, lb.	.46¼	.45½	.26¼
Hides	.23	.25	.24½
Weekly Indices			
U. S. Labor	153.7	152.2	155.6
Dow Jones	141.14	139.27	125.80
Fisher's	161.6	161.2	165.8
Monthly Indices			
Retail (Mar.)†	163.7	161.6	159.2
W'sale (Mar.)	159.3	158.0	157.6
U. S. (Jan.)	151.6	151.3	160.6
Gt. Brit. (Jan.)	244.5	241.0	221.4

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1950: Monthly Figures:												
Jan.	231.5	286.1	90.7	82.8	235.0	123.7	351.0	169.1	114.7	143.0	124.3	119.0
Feb.	229.9	291.7	86.1	80.5	236.9	123.2	355.8	169.7	116.5	143.0	125.2	118.3
Mar.	241.5	304.9	83.3	80.3	245.7	119.1	371.7	168.9	121.9	142.9	126.8	118.7
1950: Weekly Figures:												
Apr. 6	242.5	320.5	85.4	90.6	245.4	120.4	383.2	173.1	125.3	144.0	129.6	123.3
Apr. 13	247.8	326.6	84.5	95.0	246.2	121.1	389.5	173.6	127.9	143.9	133.5	126.3
Apr. 20	254.3	326.0	85.9	93.8	248.6	121.3	404.4	176.1	128.6	144.9	133.4	127.2
Apr. 27	257.0	331.0	87.2	93.6	249.5	119.7	400.8	176.2	127.0	144.8	132.1	126.8

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	15 B.M.	15 W.O.
May 1	228.82	100.08	116.30	71.22
Apr. 29	227.60	99.79	116.01	70.44
Apr. 28	227.96	100.04	115.59	70.95
Apr. 27	227.40	100.29	115.33	70.76
Apr. 26	226.50	100.64	115.37	70.94
Apr. 25	227.04	100.88	115.67	71.72
Month ago	217.20	102.48	107.87	68.01
Year ago	170.10	99.59	83.16	50.52
1950 High	229.17	105.15	116.45	73.98
1950 Low	203.27	97.24	104.35	58.45

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
May 1	81.8	150.0	127.3	447.52	64.11
Apr. 29	81.9	149.9	127.3	439.95	64.40
Apr. 28	81.9	150.6	127.7	438.64	64.51
Apr. 27	81.9	149.6	127.0	425.31	64.83
Apr. 26	82.2	148.6	126.4	429.07	65.19
Apr. 25	81.8	148.9	126.6	429.52	65.59
Month ago	81.0	144.1	123.1	414.92	65.28
Year ago	72.6	119.5	103.9	291.34	66.49
1950 High	83.1	150.6	127.7	447.52	68.87
1950 Low	74.5	138.1	117.2	355.89	63.80

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
May 1	215.81	56.76	43.20	76.95
Apr. 29	214.33	56.07	42.78	76.29
Apr. 28	213.56	55.53	42.75	75.95
Apr. 27	212.44	55.20	42.64	75.57
Apr. 26	211.72	54.73	42.28	75.21

	30 Indust.	20 Rails	15 Util.	65 Stocks
Apr. 25	212.55	54.89	42.67	75.50
Month ago	208.44	56.42	42.82	75.22
Year ago	174.63	47.13	35.40	62.79
1950 High	215.81	56.76	43.74	76.95
1950 Low	196.81	52.88	40.79	71.28

Unlisted Stocks

(Compiled from quotations by Kippen & Co., Montreal and Intercity Securities Ltd., Toronto.)

May 1, 1950

	Bid	Ask
Allens Toronto units	42.00	....
Anglo-Can. Telephone A	10.25	11.00
Ash Temple	4.25	....
Ashdown Hardware B	14.75	15.75
Beauharnois L. H. & Pr.	22.25	24.50
Beauharnois Power	10.00	11.25
British Mtge. & Trust	195.00	....
B. C. Sugar	90.00	93.00
Can. General Invest.	18.35	18.85
Can. Gen. Sec. C	7.00	....
Can. Investment Fund	5.10	5.60
Can. Investors Corp.	11.25	12.00
Can. Motor Lamp	12.50	13.50
Can. Silk Products A	31.00	....
Can. West Nat. Gas com.	60.00	....
Do pfd.	19.25	20.75
Capital Wire Cloth com.	14.25	....
Chase, A. W. units	52.00	56.00
Colonial Steamships com.	125.00	....
Commercial Finance com.	17.00	....
Commercial Life 10% paid	10.75	....
Continental Life 20% paid	45.00	....
Cooksville A	12.00	13.25
Do. B	5.50	6.50
Corporate Investors	9.11	9.85
Cuban Can. Sugar com.	5.00	6.00
Detroit Inter. Bridge	17.75	18.75
Dover Industries Ltd.	9.50	10.25
Dunlop Tire pfd.	25.00	26.00
Dupuis Freres pfd.	23.00	25.00
Empire Life Ins. 25% paid	17.00	19.00
Foreign Power Co	4.50	6.00
Galt Brass com.	31.00	....
Goderich Elev. & Trans.	15.25	16.25
Great West Life	445.00	465.00
Guardian Realty pfd.	54.00	....
Guaranty Co. of N. Amer.	285.00	....
Hart Battery com.	8.25	9.50
Husky Oil & Ref.	5.00	5.75

	Bid	Ask
Imperial Life	345.00	365.00
Lambton Loan $50 par	85.00	90.00
Laprairie com.	4.00	6.00
Do. pfd.	98.00	....
Loblaw Groc. Inc.	24.25	25.25
Manufacturers Life Ins.	345.00	365.00
Medical Arts Bldg.	35.00	40.00
Monarch Life As'c. 40% pd.	136.00	143.00
Mountainview Apts. pfd.	28.00	....
Nat. Drug & Ch'l. com. new	8.50	9.25
Do. pfd.	11.00	13.00
New Brunswick Tele.	11.00	12.50
Northern Tel. com.	1.60	1.95
Ontario Jockey Club	1,450.00	....
Ont. & Que. Rly. 5% cap. stk.	141.00	....
Peller Brewing com.	1.25	2.00
Do. pfd	12.50	13.75
Provincial Bank of Can.	16.25	17.00
Prudential Trust	12.00	....
Ritchie Cut Stone pfd.	8.25	9.25
Rosedale Golf	135.00	....
Sawyer Massey com.	.75	....
Seiberling Rubber com.	5.00	6.00
Sincennes McNaught. Tugs	2.00	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	50.00	....
Standard Fuel 4½% pfd.	36.00	38.00
Do com.	3.00	5.00
Sun Life Assce.	600.00	620.00
Third Can. Gen. Inv.	4.00	4.45
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.00	....
United Steel A pfd.	24.00	25.50
Victoria Trust & Savings	145.00	....
Waterloo Manufac. com.	6.00	6.75
Waterloo Trust & Svgs.	124.00	128.00
Western Assurance com.	72.00	....
Western Grain pfd.	23.50	25.50
York Trading com.	11.00	....

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

May 2, 1950

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	101	101¼
3	Mar. 1954	102¾	103¼
3	Nov. 1956	103	103¾
3	May 1957	102¼	102¾
3	Jan. 1959	102¼	103
3	June 1960	102⅜	102⅞
3	Feb. 1962	102¼	102¾
1½	Nov. 1950	99⅞	100¼
3	Oct. 1963	102¼	102¾
3	Sept. 1966	102¼	102¾
Dom. of Can. Bonds:			
3	June 1958	102¼	102¾
3¼	Feb. 1952	102¼	102¾
3	June 1955	100	100½
3¼	June 1966	103⅞	104¼
3	Perpetual	†101⅞	102¼
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101¼	102⅜
4½	Feb. 1956	■123⅞	125⅞
4½	July 1957	♦126¼	128
5	Feb. 1954	109	109⅞
4½	June 1955	■124	125¼
2¾	Jan. 1967	98¼	99¼
2¾	Sept. 1969	99¼	100¼
3	Jan. 1966	101¼	102¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	■123⅞	126¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962	■114⅜	116⅜
4	Jan. 1962	■125¼	127¼

%	Due	Bid	Ask
Provincial Govt. Bonds			
Alberta:			
3¼	June 1950/71	100	100½
3¼	June 1950/72	♦110	110½
British Columbia:			
4½	Jan. 1969	♦135	137
5	Sept. 1953	106¼	107¼
3	Dec. 1960	99¾	100⅜
3	June 1964	98¾	100¼
5	Sept. 1959	♦129¾	131¾
B. C. Power Comm.:			
3	Oct. 1967	98	99½
Manitoba:			
4	Dec. 1957	♦119½	121½
4½	Dec. 1956	♦122⅜	124⅜
5	Dec. 1959	■129½	131½
5½	July 1958	116⅜	118⅜
3	Oct. 1965	99	100½
New Brunswick:			
4½	Apr. 1961	♦122⅞	124⅞
2¾	June 1966	89	91
3¼	May 1957	98¼	100¼
3¼	Sept. 1965	88	100
Nova Scotia:			
3¼	June 1956	101¼	102⅜
4½	Nov. 1960	♦126¼	126¾
5	Mar. 1960	♦129⅜	129⅞
3	June 1956/58	99⅞	101¼
2¾	Sept. 1966	95	97
3¼	June 1963/65	101¼	102⅜

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69	95¼	97
3¼	May 1952/55	101¼	102¼
4	June 1962	■125	127
4½	June 1950	100¼	100½
4½	Jan. 1962	■130	132
2¾	July 1967/77	94	96
3	Nov. 1963/65	99¾	101¼
5	May 1959	■131½	133½
Ont. Hydro Commission:			
4	Aug. 1957	■120⅜	122⅜
2¾	Oct. 1965/68	95¼	96¼
3	Dec. 1963/65	98¾	100¾
3	Nov. 1967/69	99¾	100⅞
Prince Edward Island:			
3¼	Dec. 1961	101¼	102¼
Quebec:			
3¼	Mar. 1954/59	102⅜	103⅞
3¾	Feb. 1952/55	102¼	103¼
4½	Aug. 1958	108¼	109¼
4½	Jan. 1963	113⅜	115⅜
4	Nov. 1950/52	100¼	101¼
3	Sept. 1962/64	99⅞	101⅛
Quebec Hydro Commission:			
3	Feb. 1969/73	98⅞	100⅞
3	Dec. 1958/60	100⅜	101¼
Saskatchewan:			
4	Nov. 1955/60	101	102¼
5	Aug. 1958	108¼	110¼
4½	Mar. 1960	♦120⅜	122⅜
5½	Oct. 1952	104⅜	105⅜
6	Mar. 1952	104¼	106
5	Dec. 1959	♦124¼	126¼
3	Mar. 1963	94	95½
3¼	Nov. 1960/62	95¼	97⅞
3¾	Oct. 1962/65	100⅜	102

†Callable on or after Sept. 15, 1966.
■Payable Can., N. Y. or £.
♦Payable Can. or N. Y.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

DOMINION

Government of Canada Treasury Bills—Due July 21, 1950, $75,000,000. Issued Apr. 20, 1950. Sold at $99.87232 to yield .513%.

MUNICIPAL

District of Glenmore, B.C.—3¼% debentures, due Dec. 15, 1950-59, $13,000. Issued Apr. 11, 1950. Sold at $100 to Kelowna School District.

Town of Lockport, N.S. — 3% and 3½ debentures, due Apr. 1, 1951-60-70, $45,000. Issued Apr. 12, 1950. Sold at $100.02 to J. C. Mackintosh & Co. Ltd.

District of North Cowichan, B.C.—3¾% and 4% debentures, due Dec. 15, 1950-59-64, $198,800. Issued Apr. 15, 1950. Sold at $100.90 to Bell, Gouinlock & Co. Ltd.

Town of Dryden, Ont.—3½% debentures, due Feb. 1, 1951-65, $20,000. Issued Apr. 18, 1950. Sold at $98.50 to Bell, Gouinlock & Co. Ltd.

Catholic School Commission of City of Noranda, Que.—2¾%, 3% and 3½% debentures, due March 1, 1951-55-60-70, $275,000. Issued Apr. 19, 1950. Sold at $98.55 to J. F. Simard & Co.

Village of St. Joseph of Soulanges, Que.—3% debentures, due Jan. 1, 1951-65, $35,000. Issued Apr. 1, 1950. Sold at $97.69 to Credit Interprovincial Ltd.

City of Chatham, Ont.—3% debentures, due May 28, 1951-60, $100,000. Issued Apr. 24, 1950. Sold at $102.625 to Canadian Bank of Commerce, Fry & Company and Bankers Bond Corpn. Ltd.

City of Hamilton, Ont.—2%, 2¾% and 3% debentures, due May 15, 1951-55-60-70, $4,098,100. Issued Apr. 24, 1950. Sold at $100.7786 to Dominion Securities Corpn. Ltd., A. E. Ames & Co. Ltd., Wood, Gundy & Co. Ltd., Bank of Nova Scotia, Royal Bank and Canadian Bank of Commerce.

City of Kelowna, B.C.—3½% debentures, due Sept. 15, 1950-69 and Dec. 15, 1950-69, $266,000. Issued Apr. 24, 1950. Sold at $101.08 to Anderson & Company and J. L. Graham & Co. Ltd.

City of Peterborough, Ont.—2¾%, 3% and 3¼% debentures, due Dec. 31, 1950-54-64-69, $932,212. Issued Apr. 24, 1950. Sold at $100.9337 to Wood, Gundy & Co. Ltd., Gairdner & Co. Ltd. and Royal Bank.

Parish of St.-David-de-l'Aube-Riviere, Que.—3% and 3½% debentures, due Jan. 1, 1951-54-62, $22,000. Issued Apr. 24, 1950. Sold privately at $99 and $100.

Les Cure et Marguilliers de l'Oeuvre et Fabrique de la Paroisse de St-Martin de Tours de Malartic — 3½% and 4% first mortgage bonds, due May 1, 1951-54-63, $100,000, dated May 1, 1950. Offered at $100 and accrued interest by Clement, Guimont Inc.

Ashcroft School District No. 30, B.C. — 3¾% debentures, due Apr. 1, 1951-70, $149,000, issued Apr. 26, 1950. Sold at $100.58 to J. L. Graham & Co. Ltd. and Pemberton & Son, Vancouver, Ltd.

Calgary School Board—3¼% serial debentures, due May 1, 1951-65, $157,500. Issued Apr. 26, 1950. Sold at $100.514 to a syndicate headed by Cochran, Murray & Co. Ltd. and including Fairclough & Co. Ltd., Tanner & Co. Ltd. and Imperial Bank.

CORPORATE

General Steel Wares Limited—3½% first mortgage bonds, series A, due May 1, 1950, $4,000,000, dated May 1, 1950. Offered at $100 and accrued interest by Dominion Securities Corpn. Ltd., Wood, Gundy & Co. Ltd., MacTier & Co. Ltd., Nesbitt, Thomson & Co. Ltd., W. C. Pitfield & Co. Ltd., McLeod, Young, Weir & Co. Ltd., L. G. Beaubien & Co. Ltd., Bell, Gouinlock & Co. Ltd., Matthews & Co., Collier, Norris & Quinlan Ltd., Burns Bros. & Denton Ltd., Cochran, Murray & Co. Ltd., Midland Securities Ltd. and R. A. Daly Co. Ltd.

Calgary Power Ltd.—3½% first mortgage bonds, due June 1, 1972, $6,000,000, dated June 1, 1950. Offered at $101.93 and accrued interest by Royal Securities Corp. Ltd.

PREFERRED

Quebec Telephone Corp. — $500,000, 5% cumulative sinking fund redeemable preferred shares (par value $20). Offered at $20 per share by Credit Interprovincial Ltd.

Corporation Bonds

(Supplied by Investments Dealers' Association of Canada)

May 2, 1950

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	87½	90½	90
Bell Telephone	3	'77	98¼	101	98
B. C. Electric	3½	'67	96¼	99	96¼
Do.	3½	'69	101	103¼	101
Calgary Pwr.	3½	'72	98¼	...	98¼
East Kootenay	3¾	'67	92¼	...	92¼
‡Gatineau Pwr. D	3½	'70	101	103¼	101
Gt. Lakes Pwr.	4½	'69	98¼	101	98¼
*Int. Hydro-El.	6	'44	65¼	68¼	65¼
Int. Prov. Pipe Line	4	'70	245	265	245
L. St. Law. Pwr.	3½	'65	97¼	100¼	97¼
Maclaren-Quebec Power	3	'69	97	...	97
Mtl. Trams. B	5	'55	98	101	98
Nat. Lt. & Pwr.	4½	'61	100	...	100
North. Que. Pr.	4½	'67	99¼	101¼	99
Power Corp.	3½	'67	97	...	97
Quebec Power	3	'62	98¼	101	98¼
St. Maurice Pr.	3½	'70	99¼	102	99¼
Shaw. W. & Pr.	3	'61	99	102	99
Do.	3	'71	98	100¼	98
Do.	3½	'73	102	104¼	102
Union Gas	4½	'50	100	...	100
Un. Fuel Invest.	4	'59	102	...	102
United Secs.	3	'52	99¼	...	99¼
Wpg. Electric	3½	'71	102	104¼	102
Industrial Issues:					
Abitibi Pr. P.	3½	'67	101¼	104	101¼
Acadia-Altantic Sugar	3¾	'65	101¼	...	101¼
Aluminum Co.	3½	'74	102	...	102
Bathurst P. & P.	3¾	'68	99¼	...	99¼
B. C. For. Prod.	4	'66	95	98	94
B. C. Pulp & P.	3½	'67	96	99	96
Bowater's Nfld. P. & P.	3½	'68	97	...	96¼
Brompton Pulp & Paper	3½	'66	94¼	...	94¼
†Brown Co.	5	'59	105¼	108¼	102
Burns & Co.	4	'63	98¼	101	98¼
Can. Steamship	3½	'57	99¼	102	99¼
Do.	4	'66	99	102¼	98¼
Can. Bread	4½	'67	99	101¼	99
Can. Brew.	3½	'67	95	98	94¼
Can. Celanese	3	'62	98¼	101¼	98¼
Can. Oil	3½	'62	99	...	100
Can. West. Lum.	4	'62	101	103¼	101
C.P.R.	3½	'51	100¼	...	100¼
Do.	4	Perp.	118	...	114
Cockshutt Plow Co.	4½	'65	101½	104	101¼
Columbia Cell.	5	'68	101	103¼	101
Consol. Paper	3½	'67	101¼	104	101¼
Dom. Coal	4½	'52	100¼	...	100¼
Dom. Tar & Ch.	3½	'57	101¼	...	101¼
Dom. Textile	3½	'59	101¼	...	101¼
Dom. Woolens	5	'64	94	97	94
Dryden Paper	4	'61	99¼	...	99¼
E. B. Eddy	3½	'66	100	102¼	100
Do.	4	'66	102	...	102
English Elec.	4	'67	95¼	...	95¼
Federal Grain	4	'64	99	102	99
Gt. Lakes Pap.	3½	'67	100¼	...	100¼
Imp. Tobacco	2¾	'66	97	...	97
Indust. Accept.	4	'69	99	101¼	99
Lake St. J. P.	5	'61	101¼	104	101
Laurentian Silk	4½	'67	99¼	...	99¼
MacMillan (H.R.) Ex.	4	'65	101	...	101
Maple L. M.	3¾	'63	97	100	97
Massey-Harris	3	'66	96¼	99¼	96¼
Do.	4¾	'63	103	105¼	103
McColl-Front.	4	'71	97	100	96¼
Mercury Mills	4	'63	99	...	98¼
Mon. Knitting	4	'66	96¼	100	99
N. S. Steel Coal	3½	'63	98¼	101¼	98¼
Penman's	3½	'66	99¼	...	100
Price Bros.	3½	'66	101	103¼	101
Silv. Dairies	4	'60-64	99¼	...	99¼
Do.	4	'71	94	...	93¼
Simpsons Ltd.	3½	'60	101¼	104	101¼
Steel Co. of Can.	2¾	'67	96¼	99¼	96¼
Tor. Elevators	3½	'66	99¼	...	99¼
Traders Fin.	4	'65	108	111	...
United Corp.	4	'58	100¼	...	100¼
United Steel	4	'60	99	...	99
Un. Grain Gr.	4	'63	100	...	100
†Western Grain	5	'63	88	92	88
York Knit. Mills	3½	'71	90	94	90

*Payable in Canada or United States.
‡Payable in Canada only.
▲Payable in Canada or U. K.
†Payable in Canada, U. S. or U. K.

Dividends Declared

	This payment $	Date payable	Date of record
Acadia-Atlantic Sugar A	.25+.70	July 3	June 9
Do. 5% pfd.	1.25	June 15	May 19
Agnew Surpass	.15	June 1	May 3
Alta. Pac. Cons. Oils	.02	June 10	May 10
Aluminium	.60	June 5	May 5
Aluminum Co. pfd.	.25	June 1	May 3
Anglo-Nfld. Devel.	1.00	July 7	May 31
Argus Corp.	.15	June 1	Apr. 28
Do. pfd.	1.12½	June 1	Apr. 28
Asbestos	.30+.10	June 30	June 8
Assoc. Tele. & Tel. pref.	‡1.50	July 1	June 1
Aunor G. M.	.06	June 1	May 10
Auto Electric com.	.10	June 15	May 19
Do. A	.12½	June 15	May 19
Bank of Montreal	.25	June 1	Apr. 29
Bank of Toronto	.35	June 1	May 15
Banque Can. Nat.	.20	June 1	May 15
Barber-Ellis	.62½	June 15	May 3
Bathurst Pwr. A	.50	June 1	May 3
Beaver Lumber A	.25	July 3	June 10
Do. pfd.	.35	July 3	June 10
Belding Cort. com.	1.50	July 3	May 31
Do. pref.	1.75	July 3	May 31
J. Bertram & Sons A	.25	May 15	Apr. 29
Do. B	.05	May 15	Apr. 29
Bickle-Seagrave	.05	May 22	May 5
Borden Co.	.60	June 1	May 11
Bowes Co. A	.12½	May 15	May 1
Do. B	.50+2.00	May 15	May 1
Brantford Cord. A	.25	June 1	May 4
Brazilian Tr.	1.00	June 15	May 10
B. A. Oil	.25	July 3	June 7
Do. pfd.	.234375	July 3	June 7
B. C. Forest	.15	Aug. 1	June 30
		Coup. 6-xc-July 31	
Brown pref.	1.50	June 1	May 11
Bruck Mills Ltd. A	.30	June 15	May 15
Do. B	.07½+.07½	June 15	May 15
Burns Co. A & B	.40	July 28	July 7
Do. A & B	.40	Oct. 28	Oct. 7
Can. Cement	.32½	June 20	May 19
Can. Foils	.10	May 15	May 1
Do. A	.15+.20	May 15	May 1
Can. Fdry. A	.37½	June 15	May 29
Can. Malting	.50	June 15	May 15
		Coup. 90-xc-June 14	
Can. Safeway pfd.	1.12½	June 1	May 15
Can. Breweries	.50	July 1	May 31
Can. Car & Fdry.	.20	May 22	May 2
Do. A	.25	May 22	May 2
Can. Dredge	.70	June 15	May 15
Do.	.70	Dec. 15	Nov. 15
Can. Food Prod. A	.25	July 3	May 31
Do. pref.	1.12½	July 3	May 31
Can. For. Inv.	.50	July 3	June 1
Can. Gen. Elec.	2.00	July 1	June 15
Can. Ind Alco. A	.25	June 5	May 5
Do. B	.25	June 5	May 5
Can. Int. Invest. pf.	3.75	June 1	May 16
Candn Oil	.25	May 15	Apr. 17
Candn. Utilities pfd.	1.25	May 15	Apr. 28
Can. West. Lumber	.10	July 15	June 17
Do.	.10	Oct. 16	Sep. 18
Cap. Estates	.30	May 15	Apr. 29
Catelli Food Pr. com.	1.00	May 31	May 15
Celtic Knit.	.50	July 31	July 15
Cochrane-Dunlop A	.20	May 15	Apr. 29
Do. pfd.	.30	May 15	Apr. 29
Cockshutt Plow	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Comm. Int. Corp.	.05	May 15	May 1
Confed. Life	2.00	June 15	June 10
Do.	2.00	Sep. 15	Sep. 10
Do.	2.00	Dec. 15	Dec. 10
Cons. Litho.	.50	June 30	May 29
Cons. Text.	.20	June 1	May 15
Do. pfd.	.50	June 1	May 15
Cons. Glass com.	.37½	May 31	Apr. 28
Corp. Investors	.12	May 15	Apr. 18
Corr. Paper Box	.37½	June 1	May 12
Do. pref.	1.25	June 1	May 12
Cosmos Imp.	.20	May 15	Apr. 30
Crown Cork & Seal	.50	May 15	Apr. 20
Crow's Nest P. Coal	2.00	June 2	May 8
Davis Leather A	.37½	June 1	May 1
Do. B	.17½	June 1	May 1
Dome M.	.17½	July 31	June 30
Dom. & Anglo. I. pf.	1.25	June 1	May 15
Dom. Bridge	.40	May 23	Apr. 28
Dom. Engineering	3.00	May 5	Apr. 12
Dom. Scot. Inv.	.62½+1.50	May 26	May 11
Dom. Stores	.37½	June 15	May 18
Dom. Tar & Chem.	.25	Aug. 1	July 3
Do. pfd.	.25	July 3	June 1
Donnacona Pap. pf.	1.12½	May 15	Apr. 14
Do	1.12½	Aug. 15	July 14
Donohue Bros.	.25+.50	June 1	May 12
East Sull. M.	*.15	May 25	Apr. 25
Eddy Paper A	.25	June 15	May 16
Empire Brass A	.25	July 15	June 30
Do.	.25	Oct. 14	Sep. 29
Enamel & Heat.	.50	July 31	June 30
Fed. Fire Ins.	1.00	Aug. 15	Aug. 11
Fittings A	.30	July 1	June 6
Ford Motor A	.50	June 2	May 5
Do. B	.50	June 2	May 5
Gen. Steel Wares	.25	May 15	Apr. 17
Gair of Can. pf.	1.00	June 1	May 13
Globe Oil	.02	June 1	May 15
Grafton & Co. A	.25	June 15	May 25
Do.	.25	Sep. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 25
Granby Consol. Ltd.	†.50	June 1	May 12
Gt. West Felt pf.	.12½	July 1	June 16
Gypsum, Lime A	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
Hallnor M.	.10	June 1	May 10
Hamilton Cot.	.25	June 1	May 10
Home Oil	.25	June 15	May 15
Huron & Erie	1.25	July 3	June 15
Do. 20% pd.	.25	July 3	June 15
Hydro-Elec. Sec. Corp. B	.25	Aug. 1	June 30
Imp. Tobacco	.12½	June 30	May 16
Int. Metal Ind. A & B	.50	July 3	June 9
Do. pfd.	1.12½	July 3	June 9
Int. Utilities	†.25	June 1	May 10
Kerr-Addison G. M.	.20	June 28	May 31
Lake of the Woods	.40	June 1	May 3
Do. pref.	1.75	June 1	May 3
Lake Shore M.	.20	June 15	May 15
Lamaque Gold	.12	June 1	Apr. 19
J. A. Lang	.25	July 1	June 10
Laura Secord	.20	June 1	May 1
Leitch G. M.	.02	May 15	Apr. 28
Lewis Bros.	.15	May 31	May 10
Do.	.15	July 31	June 30
Loblaw Groc. Inc.	†.25	June 1	May 5
Loblaws A & B	.25+.12½	June 1	May 3
W. M. Lowney	.25	July 15	June 15
M.R.A. Holdings	.31½	May 1	Apr. 15
Macassa M.	.03	June 15	May 15
Maclaren Pr. & Pap.	.50	May 31	May 6
Madsen R. L.	.05	June 15	May 15
Maple Leaf M.	.50	May 15	Apr. 24
Massey-Harris	.37½	June 15	May 20
L. McBrine	.50	July 1	June 14
McCarthy Mill A	.27½	July 3	June 5
Do. B	.07½	July 3	June 5
McIntyre Porc.	.50½	June 1	May 10
Mica Co.	.50	May 15	May 1
Mid. & Pac. Gr.	.50	Aug. 1	July 15
Mining Corp.	.15	June 30	May 31
J. S. Mitchell	1.25	July 3	June 15
Robt. Mitchell	.50	June 15	May 15
Do.	.50	Dec. 15	Nov. 15
Modern Contain.	.50+.25	June 2	May 20
Moirs	3.00	Apr. 15	Apr. 1
Nat. Brew.	.50	July 3	June 9
Do. pref.	.44	July 3	June 9
Nat. Drug & Chem.	.12½	June 1	May 12
Do. pref.	.15	June 1	May 12
Nat. Hose. Mills A	.15	July 1	June 2
Do.	.15	Oct. 1	Sep. 1
Do.	.15	Jan. 2	Dec. 1
Do. B	.40	July 1	June 2
Wm. Neilson pfd.	1.25	June 1	May 10
Neon Products	1.50	May 1	Apr. 7
New Calumet	.03	May 19	May 11
Nfld. Lt. & Pwr.	.25	June 1	May 10
Noranda M.	1.00	June 15	May 12
Normetal M.	.09	June 30	May 31
N.S. Lt. & Pr. 6% pf.	1.50	June 1	May 6
Ogilvie Flour	.25	July 3	May 23
Do. pfd.	1.75	June 1	Apr. 28
Ont. Steel	.75	May 15	Apr. 14
Do. pfd.	1.75	May 15	Apr. 14
Wm. Paterson pf.	1.75	May 1	Apr. 15
Pato Cons.	.15	May 31	May 9
Penmans Ltd.	.75	May 15	Apr. 17
Powell River	.50+1.50	June 15	May 23
		Coup. 22-xc-June 14	
Powell Rouyn G. M.	.03	May 18	May 10
Power Corp.	.50	June 30	May 31
Pressed Met.	.25	June 1	May 10
Do.	■1 sh.	June 20	May 20
Do.	.25	Sep. 1	Aug. 10
Do.	.25	Dec. 1	Nov. 10
Proprietary M.	.20	June 28	May 31
Provincial Trans.	.40	Aug. 15	Aug. 1
Do. ext.	.20	June 1	May 15
Que. Power	.25	May 25	Apr. 15
Regent Knit. pfd.	.40	June 1	May 15
Do.	.40	Sep. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Renold Cov.	.28+.05	July 3	June 15
Do.	.27+.05	Oct. 2	Sep. 16
Robinson Little com.	.20	June 30	June 15
Do. A	.25	June 1	May 15
Rolland Pap. pfd.	1.06¼	June 15	June 1
Royal Bank	.25	June 1	Apr. 29
Royal Oak Dair. A	.15	May 15	Apr. 28
Do. B	.40	May 15	Apr. 28
Royal Trust Co.	.80	May 1	Apr. 20
Royalite Oil	.06¼	June 1	May 13
St. Law. Pap. 1st pf.	1.50	July 25	July 4
Do. 2nd pfd.	.60	July 25	July 4
Saguenay Pwr.	1.06	July 1	June 7
Scythes	.25	June 1	May 15
Do. pref.	.31¼	June 1	May 15
Shawinigan W. & P.	.30	May 25	Apr. 15
Do. A pf.	.50	July 2	June 2
Do. B pf.	.56¼	July 2	June 2
Sherwin Williams pf	1.75	July 3	June 9
Sicks Brewery	.30	June 30	May 23
Do. V.T.	.30	June 30	May 23
Sigma Mines	.25	July 29	June 28
H. Simon & Sons	.30	June 1	May 9
Do. pfd.	1.25	June 1	May 9
Simpson's pfd.	1.12½	June 15	May 15
So. Can. Pwr.	.35	May 15	Apr. 20
Stand. Chem.	.12½	June 1	Apr. 28
Do. pfd.	1.25	June 1	Apr. 28
Stowell Screw A	.75	June 1	Apr. 30
Sullivan Cons.	.10	May 26	Apr. 26
Tay. Pear. & Car.	.20	July 3	Mar. 1
Teck-Hughes	.05	June 1	Apr. 19
United Corp. A	.37	May 15	Apr. 15
Do. B	.25+.05	May 31	Apr. 29
United Steel Corp.	.15	June 30	June 15
Universal Cooler pf.	1.50	Mar. 15	May 1
Upper Can. M.	.02½	June 2	May 12
Vancouver Pac. Pap.	.12½	May 1	Apr. 15
Viceroy Mfg.	.20	June 15	June 1
Waite Amulet	.25	June 10	May 10
West. Can. Brew.	.25	June 1	Apr. 29
Do.	.25	Sept. 1	July 31
Western Assur. pfd.	1.20	July 3	June 29
Wilsil Ltd.	.25	July 3	June 1

†American funds. *Initial. ‡Extra.
■1 sh. for each 20 shs. held.

Market Comment

What stocks and bonds are doing and what prominent observers say

A sudden, unaccountable, selling wave saw the ticker tape running five minutes late near the close on Tuesday. Just prior to that both the Dow-Jones industrials and rails had touched 1950 highs. Like similar sharp selling waves during the past month, this one was not expected to get very far. This has been one of the most bullish features in the day-to-day trading of the current move—the inability of liquidating moves to carry through.

There are signs of nervousness as more and more stocks on both the Canadian and U. S. boards climb to historical highs. But investors are still finding it difficult to uncover any convincing argument for selling, outside of fear of war; it will certainly take a wrench to cut themselves loose from attractive 6 and 7% dividend yields. The very phrase "historical highs," however, continues to have a portentous ring, regardless of the fact that market and business conditions were probably never healthier in a period of bull market. For one thing, the majority of stocks today are owned outright and brokers' loans are phenomenally low. Then again, despite the sharply increased tempo of trading this spring, public market participation, though rising slowly, is still small compared with any other period of market boom.

* * *

K. B. ANDRAS: Stanton, Hatch & McCarthy (Toronto)

The bull market which we are witnessing is now in its eleventh month. Historically, its performance is almost unique inasmuch as we have seen a rise in the Dow-Jones averages of over 50 points without as yet a major correction. Unusually strong investment demand has cushioned normal minor periods of weakness that have appeared.

The robust economy, spurred on by record-breaking automobile, steel and construction news, shows no sign of slackening. Nonferrous metal prices have exhibited stiffening tendencies of late and demand for aluminum has again come to a peak. Paper companies, having passed through the temporary oversupply situation a year ago in pulp, are operating at capacity with strong newsprint demand showing no sign of abating. Securities of Canadian paper companies are still selling on a very low price-earnings ratio and present generous dividends may yet be further increased. Business in the last half of 1950 is now being forecast by the equity market and it is obvious that the market is expecting no business recession this year.

The only cloud on the horizon, as yet no bigger than a man's hand, is a deteriorating international scene, often lost sight of through local optimism. Foreign tension may increase very markedly this month. Perhaps May 28 Communist march into Berlin, now forecast, may bring this tension into the foreground. Such news could result in profit-taking sales which could bring about the secondary reaction in this market, which in the opinion of the more conservative specialists is overdue. Considerable investment buying is awaiting this sell-off.

Caution is recommended for short-term investment.

* * *

WESTERN CITY CO. (Vancouver)

Take, for example, the employment of funds of 12 leading U. S. universities and colleges. Of over $500 million invested in stocks and bonds by these institutions (exclusive of real estate, mortgages, etc.) $264 millions (45%) is held in bonds, $73.5 millions (13%) is in preferred stocks, and $244 millions (42%) is in common stocks. While, because of the permanency of their investment programs, the ultra-conservative policies of these institutions may not correspond identically with the requirements of an individual, the proportions of capital held in the various media nevertheless set a sound pattern for those who normally are not concerned with speculation.

* * *

BARRON'S: The Trader (New York)

Marketwise, rising dividends are of the utmost importance. Under present low money market conditions, higher disbursements by widening the spread in yields over the returns from high-grade bonds, are bound to put a higher platform under stock prices. Mounting dividends naturally constitute the most effective stimulus to solid investment buying. Only "hit-and-run" speculators will be tempted to move out of stocks that are yielding almost 2¼ times what prime bonds return. As it is, current yield on the industrial average of 5.91% is less than 1% under the 6.86% yield that obtained when the average itself at June 13, 1949 low stood at 161.60.

* * *

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario)

Approximate quotations, 3 p.m., May 1, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

Abenakis	3	5
Advance	3½	4½
Alexander	3	4
Ama Kir	5½	6½
Anna'que	5½	6½
Arctic	†7	9
Argonaut	1½	2½
Barber N	2½	3
Beascon		80
Beaulieu	1½	2½
Beauriv	3½	5
Bi Ore	20	25
Biroco	*15½	16½
Blondor	1½	2½
B MDade	9	11
Bour C	5½	7
Bouzanne	5½	7
Braminco	17	21
Bright RL	2	3
Bulldog	*28	30
Burley Po	2	3
Camlaren	3½	4½
Camray	†10	12
Captain	8	10
Cassidy	3	4
Cent Man	5½	6½
Cock	1½	2½
Columbier	2½	3½
Con Chib	14	17
Con Cop	*10	11
Craibbe	†6	8
Croydon	*1½	3
Cuyuni N	26	29
Delhi	*20	23
Derlak	3½	4½
De Sant	3½	5
Dick'son	*34	..
Doris	*3½	4½
Durham	6	8
Echo nd	*3	4
El Bnanz	*10½	12
Elmac	5	6
Erin Kirk	*3	4
Erndale	5	6
Forty For	80	90
Gan Cop	2	4
Geneva L	2	5
Glencona	4	5
Golpac	7	10
Gov Gold	3	5
Grd Chib	30	40
Greenlee	8	9
Grndhog	..	16
Habitant	2	3
Halden	3	5
Harker	3	5
Hornfault	10	12
Hoodo	†9	11
Hu Pam	25	27
Independ	13½	15
Insco	4½	6
Isle Pinn	†16	18
Jerome	23	27
Kamlac	†21	23
Ken Bay	8	9
Kenda Pe	10	12
Kenogami	†11	13
Kirk GG	2	3
Lar-Add	5½	6½
La Salle	*6½	7½
Lassie	4½	6
Lavalie	4½	5½
Lennie	2	3
Lk Expa	6	8
Lower Can	*4½	6
Marbenor	*20	22
Mallen RL	4½	5½
Mar Bird	3	4
Marquette	2	3
Mary Ann	7	8
Mat Con	39	41
Mate Yel	10	12
McCuaig	5	6
McManus	5	6
Metalore	†6½	7
Miles RL	4	6
Mindus	†10	12
Mink	2	4
Mistassini	4	6
Mohawk P	2	3
Murmac	7	8
Nat New	11	13
New Aug	11	13
Newcor	10	12
New Mal	2½	3½
Nickel L	8	9
N Offsets	115	135
Nisto	†39	42
NoAcme	125	135
Norbeau	*120	130
Norbec	*9	11
Norcourt	5	7
Norford	2	4
Normar	2½	3½
Novele P	2	4
Obalski O	5	7
do '45	21	23
Obaska	22	24
Oklend	6	7
Olivet	†2	3
Opemiska	†29	30
Ortona	6	7
Pascalis	15	18
Payne	5	7
Pelangio	3	4
Phelps	1½	2
Presdor	1½	2½
Privateer	12	17
Pro Div's	..	15
Quejo	4½	6
Que SR	50	55
Quest	1½	3
Rand M	18	20
Randona	2½	3
Raymond	1½	2½
Redruth	4	6
Redwood	5	6
Rhyolite	1½	2½
Richgroup	9	11
Russet	5	7
Salmita	*8	10
Santiago	†7½	8½
S Dufault	5½	7
Sepha	3	5
Sheldon	†13	15
Silv Arro	5	7
Skynner	2	4
Snow L	2	3
Starlight	1	3
Sunbear	3½	4½
Thornhill	1	2
Tobico	*3½	4½
Vinray	4	5
Viking	20	22
Walcoro	5	6
Wesley	1	2
West RL	†4	6
Y Davids	20	22
Yelknife	260	..
do vt	200	..
OILS		
Crusader	..	25
Franco	60	65
Garrison	165	175
Granleduc	7	11
Home Oil	*15½	15¾
Jupiter	22	25
Lingnora	4½	6
Major Oil	2	3
Nw Ranch	2	3
Pac Oil R	4	5
Princess	47	49
Vermilion	26	28
West Lock	6	8

Municipal Bonds

May 2, 1950

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'68	99	101	3.67
Vancouver	3¾	'69	99½	101½	3.63
Calgary	3½	'69	99½	101⅛	3.38
Edmonton	3½	'69	99½	101½	3.38
Regina	3	'64	93	95	3.43
Moose Jaw	3-3½	'60	95	98	3.40
Winnipeg	3	'69	98	100	3.00
Ottawa	3⅛	'68	103	105	2.89
Toronto	3	'68	99	101	2.92
Hamilton	3	'67	98	100	3.00
Windsor	2½	'75	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3⅛	'75	88	91	4.05
Montreal	3	'70	93	95½	3.30
Quebec	3½	'64	99	101	3.42
Halifax	3	'66	95	98	3.15
Saint John	3½	'65	99½	102½	3.29

Investment Trust

	Bid	Ask.
Affiliated Funds	4.24	4.59
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	5.10	5.60
Can. Invest. Corp.	11.25	12.00
Corporate Invest.	9.12	9.86
Commonwealth Int.	3.86	4.24
Trans-Canada	15.10	....
Do. B	....	15.80
Leverage Fund	2.84	3.12

New Highs and Lows

During the week ended April 29, 81 new highs were recorded among the general stocks on Canadian stock exchanges and 25 new lows. In the mining group there were 45 new highs and 15 new lows. In the western oil group there were 12 new highs and five new lows.

GENERAL

New Highs—1950

Aluminium com.
Argus Corp. 4½% p.
Asbestos Corp.
Bank of Montreal
Brantford Roofing
Building Products
Burns & Co. (A)
Caldw'l Linen 2 pf.
Can. Perm. Mtge.
Canada Starch pf.
Can. W. & Cable A
Candn. Celanese
Candn. Dredge
Can. Food Pr. (A)
Can. Ind. Alc. (A)
Can. Oil Cos. c. rts.
Candn. Silk (A)
Candn. Starch pf.
Candn. Tire
Can. Wallpaper (B)
Can. Westinghouse
Cassidy's com.
Celtic Knitting
Cockshutt Plow
Cons. Paper
Corr. Paper Box c.
Distill.-Seag.
Dom. Bridge
Dom. Oilcloth
Dom. Scot. Inv. pf.
Donnacona Paper
Donohue Bros.
East Koot. Power
Do. pref.
Eddy Paper
Esmond Mills
Fibre Prod. pf.
Ford Motor (A)
Gair 4% pf.
General Prod. (A)
Gt. Lakes Paper c.
Greening Wire
Hamilton Cottons
H. Smith Paper
Ind. Accep. $1.25 p.
Do. $1.60 pref.
John Inglis
Inter. Coal & Co.
Inter. Paper
Do. pref.
Loblaws (A)
Do. (B)
Maclaren Pr.
MacMillan Exp. B
J. S. Mitchell
Mt. Royal Metals
Nfld. Lt. & Pr.
People's Cr. Sec.
Powell River
Pressed Metals
Price Bros.
Provincial Trans.
Quinte Milk B
Reitman's
St. Lawr. Corp.
Do. 1st pref.
Do. 2nd pref.
Shawin. 4½% B pf
Sheraton Ltd.
Silverw'ds W. D. p.
Simpson A
Southam
Std. Chem. pref.
Steel of Can. pref.
Thrift
Tor. Gen. Trust
Tor. Iron
Traders Fin. A
United Corp. B
Walker-Good.
Zeller's

New Lows—1950

Acadia Atlantic Sugar 5% pf.
B. C. Electric 4% p.
Burrard D. D. (A)
Candn. Canners
Do. 2nd pf.
Candn. Oil 4% pf.
Can. Oil Cos. c. rts.
Can. Wire. Box (A)
Eastern Steel
Fisher & Burpe (B)
Fittings (A)
Great West Coal
Hunt's (B)
Imperial Tob.
Mercury Mills
Monarch Knit.
Montreal Loco.
Penmans
Renfrew Text.
Simpson's pfd.
Stanley Brock (B)
Tamblyn pf.
Taylor Pearson pf.
Toronto Elevators
Willson Stat. pf.

MINING

New Highs—1950

Akaitcho
Anacon Lead
Ascot Metals
Cons. Cen. Cadillac
Conwest Explor.
Dickstone Copper
Discovery
Donalda
Eureka
Frobisher
Giant Yellowknife
Goldale
Goldcrest
Gold Lake
Goodfish
Gunnar Gold
Headway
Highland Belle
Homer Yellowknife
Hoyle
Jaculet
Kayrand
Lake Shore
Lynx Yellowknife
Madsen Red Lake
McWatters
New Alger
New Dickenson
Newlund
New Rouyn Merger
Nicholson
Normetal
O'Brien
Osulake
Prospectors Air.
Purdy Mica
Queenston Gold
Shawkey
Silver Standard
Steeloy
United Keno Hill
Villbona
Winora
Yellorex
Yellowknife Bear

New Lows—1950

Arno
Bralorne
Chesterville
Gillies Lake
Guayana
Hallnor M.
Jack Waite
New Norseman
Norlartic
Paymaster
Sigma
Sylvanite
Torbrit Silver
Trebor
United Asbestos

OILS

New Highs—1950

Coastal
Del Rio
Federated Pet.
Home
Model
Nat. Pet.
North Extension
Pan Western
So. West Pet.
Sunset
Turner Valley
United Oils

New Lows—1950

Calvan
Davies Pet.
Decalta
Hanna
Nordon

ANACON LEAD MINES has received payment for April 25 installment of 99,995 shares at 75c a share under agreement with A. J. Bendall, Fairbanks, Kirby & Co. and E. H. Pooler & Co. Issued capital is 3.5 million shares, with none left in treasury.

ATHONA MINES (1937) reports that May 2 installment of 50,000 shares at 15c a share under agreement with Yarwood Ltd. has been converted into an underwriting at 12½c a share. Issued capital is 4,756,330 shares, leaving 243,670 in treasury.

May Dividends $8,146,877

Dividend payments in May (as declared to April 28) amount to $8,146,877 as against $12,174,090 in same month last year. A special payment of $3.1 millions on arrears made last May by Canadian Vickers on preferred stock was chief factor in last May's heavier distribution.

Payments by 98 industrial companies will amount to $4,310,814 as compared with $9,662,195 paid out by 102 companies last May (including Canadian Vickers). Payment by seven mining companies will amount to $1,775,597 as against $798,163 paid out by five companies last year. One oil company will pay $102,250; same company paid $80,800 last May. Thirteen financial institutions will distribute $1,958,216 as compared with $1,632,942 paid out by same number of concerns last May.

Dividends declared and paid in 1950 to date total $162,061,935 as against $165,728,249 in same period for last year. Following is a list of payments for May as compiled by The Financial Post from records now available.

Monthly Dividends

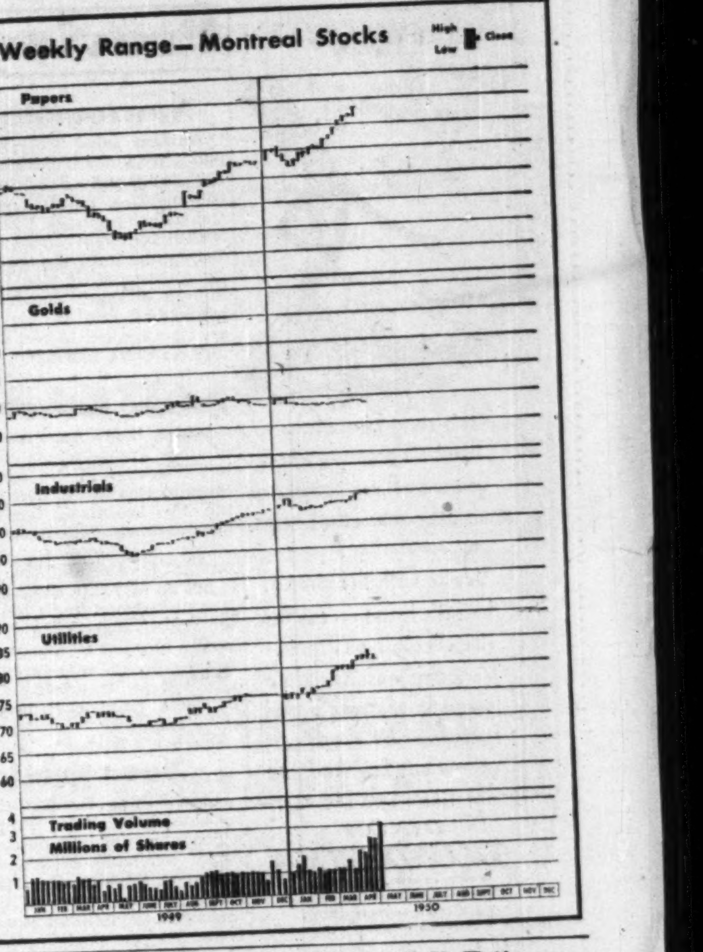
	1950	1949
January	$51,732,647	$58,506,490
February	14,951,652	14,115,642
March	57,410,007	51,861,572
April	29,820,752	20,070,455
May	8,146,877	12,174,090
Total	162,061,935	165,728,249

Industrials and Utilities

	Rate $	Date	Amount $
Anglo-Can. Tel. pf.	.56¼q	1	70,312
Ault & Wiborg pfd.	1.37½q	1	2,061
Bates & Innes	.50s	1	15,000
Do. A	.50s	1	7,625
Bertram & Sons A	.25q	15	12,000
Do. B	.05q	15	12,000
Blue Ribbon pfd.	.62½q	1	10,660
Bowes Co. A	.12½q	15	4,867
Do. B	.50 + 2.00	15	97,352
B. C. Pulp 7% pfd.	1.75q	1	9,734
B. C. Tel. 2nd pfd.	1.50q	1	67,500
Stanley Brock A	.15q	1	4,703
Do. B	.10q	1	6,270
Caldwell Linen	.20q		8,000
Do. pfd.	.37q		5,550
Do. 2nd pfd.	.20q		5,000
Can. Oils	.10		10,000
Do. A	.15q + ▲.20		35,000
Can. West. Cord.	.12½q	1	4,162
Do. B	.20s	1	8,150
Can. Bronze	.31q	1	49,600
Do. pref.	1.25q	1	9,375
Candn. Car	.20q	22	73,160
Do. A	.25q	22	160,000
Can. Utilities 5% pfd.	1.25q	15	18,750
Cap. Estates	‡.30s	15	69,231
Catelli Food	1.00	31	45,902
Coast Breweries	.06q	1	108,189
Cochrane-Dun. A	.20q	15	10,674
Do. pfd.	.30q	15	5,400
Consumers Glass	.37½q	31	119,838
Cosmos Imp.	.20	15	40,000
Crown Cork	.50q	15	50,000
Disher Steel A pfd.	.37½q	1	4,335
Dom. Bridge	.40q	23	205,580
Dom. Engineering	3.00a	5	375,000
Dom. Fabrics	.20q	1	14,000
Do. 2nd pref.	.37½q	1	7,500
Dom. Malting	.25q	1	19,700
Do. 5% pfd.	1.25q	1	10,125
Dominion Tar	.25q	1	110,500
Dom. Woollens	.25q	1	36,821
Donnacona P. 4½% pf.	1.12½q	15	28,125
Dryden Paper	.30q	1	57,000
Esmond Mills 5% pfd.	.25q	1	3,750
Federal Grain 6½% pf.	1.63q	1	48,900
Freiman, A. J.	.12½q	1	10,625
Do. 4½% pfd.	1.12½q	1	9,687
Gen. Steel Wares	.25q	15	77,719
Do. pref.	1.25q	1	62,500
Hartz A	.12½q	1	3,750
Holden A	.15q	1	4,520
Imp. Tob. 4% pfd.	.25q	1	100,000
Langley's pfd.	1.00	1	5,657
M.R.A. Holdings	.31½q	1	15,625
McArthur Chem. 5% pf.	.25q	1	3,075
McCabe Grain A	.15q	1	6,737
Do. B	.10q	1	7,486
Maple Leaf M.	.50	15	219,050
Mercury Mills	.15q	1	52,547
Mica of Can.	.05	15	11,250
Neon Prod. of W.C. pf.	1.50s	1	4,060
Northwest Util. 4% pf.	1.00q	1	35,000
Ont. Steel Prod.	.75q	15	36,330
Do. pref.	1.75q	15	8,306
Wm. Paterson pfd.	1.75q	1	6,125
Penmans	.75q	15	48,388
Do. pref.	1.50q	1	16,125
Purity Flour M. pfd.	.87½q	1	31,500
Quebec Power	.25q	25	138,299
Quinte Milk A	.15q	1	5,775
Reitman's 5% pfd.	.25q	1	4,250
Robinson Cotton	.10q	1	15,000
Royal Oak Dair. A	.15q	15	5,625
Do. B	.40	15	20,000
St. Law Flour	.40q	1	19,143
Do. pref.	1.75q	1	10,687
Scarfe & Co. A	.20q	1	7,000
Do. B	.10q	1	5,250
Shawinigan W. & Pr.	.30q	25	653,475
Sher.-Williams ord.	.25q	1	56,180
Shirriff's A	.06q	1	7,290
Do. 5% pfd.	.25q	1	3,750
Sidney Roof. A	.22½q	1	11,250
Slater, N.	.45q	1	17,020
Stand. Fuel 4½% pf.	.56¼q	1	11,250
South. Can. Pwr. c.	.35q	15	140,000
Steel of Canada N.	.20q	1	92,000
Do. pref. N.	.20q	1	51,970
Union Gas	.12½	1	88,275
United Steel pf.	.75s	1	17,817
Vancouver Pac. Pap. A	.12½q	1	1,250
Waterous A	.20q	15	7,590
Wesley M. 5½% pf.	1.37½q	1	10,313
Wood A. & J. pfd.	1.75q	1	11,375
Zeller's N.	.12½q	1	78,125
Do. 5% pref.	.31¼q	1	24,392
Do. 6% pref.	.37½q	1	15,000
Total			4,310,814
Mining Companies			
East Sullivan M.	.15	25	607,500
Inter. Nickel 7% pfd.	†1¾%q	1	473,485
Kirk. Lake Gold	.02	1	106,534
Leitch Gold	.02q	15	58,250
New Calumet M.	.03	19	104,997
Powell Rouyn G. M.	.03	18	24,831
Sullivan Cons.	.10	26	400,000
Total			1,775,597
Oil Companies			
Candn. Oil c.	.25	15	102,250
Total			102,250
Financial			
Bk. of Nova Scotia	.35q	1	420,000
Can. Bk. of Commerce	.20q	1	600,000
Can. Invest. Fund. sp. & ord.	.06q	1	186,198
Can. Investors	.10q	1	10,000
Commonwealth Intnl.	.05	15	56,279
Corp. Invest. A & B	.12	15	26,297
Dominion Bank	.25q	1	175,000
Dom. Scott. I. pf	.62½q + ▲1.50	26	94,414
Imperial Bank	.30q	1	210,000
Prudential Trust	.50s	1	8,763
Royal Trust	.80q	1	80,000
United Corp. A	.37q	15	19,328
Do. B	.25q + ▲.05	31	71,937
Total			1,958,216
Grand total			8,146,877

q—Quarterly. s—Semiannually.
a—Annually. †N. Y. funds.
■Initial. ▲Extra.
§On arrears.
‡Special bonus.

SHAWKEY (1945) MINES reports that, by agreement dated April 20, Clair Agency Ltd. has underwritten 250,000 shares at 15c a share and has optioned 750,000 shares at 20c to 30c a share. Upon issue of shares underwritten, issued capital will be 2,915,000 shares, leaving 2,085,000 in treasury.



COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PROVINCIAL TRANSPORT CO. consolidated 1949 net profit was $411,640, up 25.8% from 1948. Total operating revenue increased $1,600,015 to $10,404,773, while operating expenses were $1,143,194 higher at $8,420,619.

Passengers carried by the inter-urban companies totaled 19,429,015, up 2,025,687; those of Sherbrooke City Transit Co. rose 577,582 to 6,770,063; and Kingston City Coach Co.'s total was 5,013,453, up 29,469.

During the year, the operating assets of Collacutt and Kawartha Coach Lines, of Oshawa, Ont., were purchased and integrated into the Colonial system. Their main routes were between Gananoque and Toronto and Peterborough and Toronto. Early in 1949 the capital stock of Pony Bus Lines, operating in Pembroke, was purchased and control was acquired (subject to approval of the Interstate Commerce Commisison) of International Coach Lines Inc., a Maine corporation which established a service in June, 1949, between Montreal and Saint John, N.B.

At the year end 481 buses were in operation (428 in 1948) and 62 more were purchased for delivery in 1950. Aggregate book cost of fixed assets increased by $1,796,215, including $1,407,590 in motor coaches and equipment, $66,853 in buildings and $321,772 in land. President V. M. Drury states that expansion and modernization of the Ottawa Terminal is in progress and the new premises are expected to be in full operation by early summer.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,010,536	$1,545,422
Less: Deprec.	1,210,023	892,093
Interest	101,894	72,621
Inc. tax res.	286,979	256,700
Add: Equip. sale	......	3,148
Net profit	411,640	327,136
Less: Dividends	210,000	105,000
Surplus for year	201,640	222,136
Earnings per Share and Dividend Record:		
Common	$1.18	$0.93
†Paid	0.60	†0.30

†Not including 30c paid Feb. 16, 1948, deducted from previous years accounts.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash, govt. secs., etc.	$1,143,841	$1,192,695
Accts. rec.	348,571	234,261
Inventories	467,293	384,755
Total curr. assets	1,959,705	1,811,711
Misc. assets▲	331,574	449,700
Fixed assets*	5,618,314	4,872,007
Franchises	1,346,785	822,187
Total assets	9,256,378	7,955,605
Accts., etc., pay.	830,598	720,004
Trust certif. due	200,000	......
Unred. tickets	377,689	390,759
Total curr. liab.	1,408,287	1,110,763
Equip. trust certif.	800,000	......
Funded debt	1,850,000	1,925,000
Mtge. pay.	59,096	62,264
Reserves	868,767	652,396
Capital stock	2,525,482	2,525,482
Surplus	1,744,746	1,679,700
*After depr. of	5,171,966	4,122,058
▲Incl. ref. EPT	159,741	296,693
Working capital	551,418	700,948

TORBRIT SILVER MINES milled 29,820 tons in the quarter ended March 31, 1950. Estimated net operating profit for the period, after interest and all taxes, amounted to $130,000.

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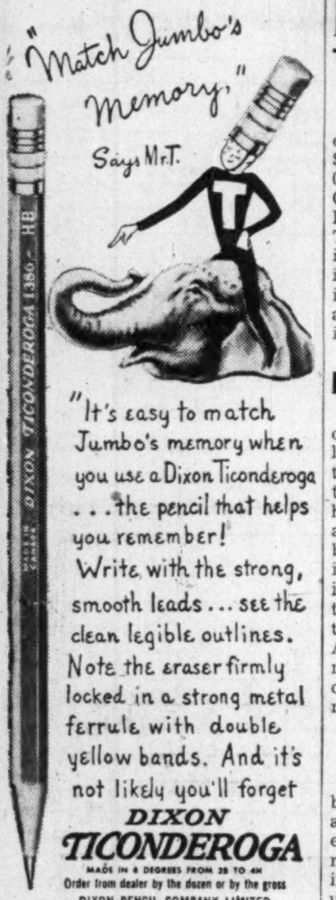
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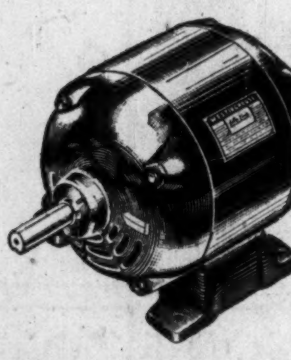
Biggest Motor NEWS in Years!



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The new Westinghouse Life-Line Motors eliminate need for periodic lubrication. Double-width ball bearings are prelubricated with specially treated lubricant—and factory-sealed to keep dirt out and grease in, for *the life of the bearing.*

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Westinghouse Life-Line Motors

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Newfoundland

Another sales tax?: With revenues at $20,182,500, expenditures, $22,984,600 and a deficit of $2,802,050 marking its first year as a Canadian province, Newfoundland is contemplating a sales tax. Taking the form of a social security assessment, it would, according to Premier Smallwood be introduced late in the summer and is expected to net the province an extra $1,300,000.

• • •

Prince Edward Is.

Which Way: Announced route of the Trans-Canada Highway left Islanders in the dark as to the direction it will take between the two mainland ferries. The highway-rail Hillsboro Bridge across Charlottetown Harbor, brought here secondhand in 1904, is not up to T.C.H. standards, and it is understood that CNR is contemplating abandoning it, routing traffic 10 miles farther upstream. A new bridge will therefore be required at its present location, or some point east where the river narrows.

• • •

Nova Scotia

Face Lifting Boom: Described by Gordon Isnor (L. Halifax) as a program that will put to work every available bricklayer and mason in Nova Scotia, the province's capital city is due to undergo a $20 millions face-lifting boom. Biggest single project is a $5 millions housing project to be undertaken by Central Mortgage and Housing Corp. for navy personnel at Tuft's Cove. Other projects are: a five-story building to centralize federal offices; a $2,500,000 addition to Stadacona barracks, $450,000 naval research station, and a Dalhousie University project of $1,770,000.

Lead Them, Not Jail Them: Increasing its staff of probation officers rather than building jails is the way Nova Scotia is tackling its problem of dealing with youthful law breakers. Announced by Attorney-General Malcolm Patterson, the amount to be spent on penal reforms and probation will be raised from $130 to $7,000. Dropped were plans to build a central reformatory. Said Patterson, "Records show that the average age a criminal starts his crime career is nine years and seven months. The time to get hold of them is when they are young and provide probation officers to help them." Officer's duties will include finding jobs for boys, keeping them from bad company, loving them without coddling them.

W. B. GAY

vice-president and comptroller, International Harvester Co. of Canada, has been elected treasurer.

New Brunswick

Riding Herd On Margarine: To more closely supervise production and handling, New Brunswick has introduced an amendment to its Oleomargarine Act of last year, providing for appointment of inspectors who may: without warrant enter any premises (warehouse, factory, store or vehicle) where oleomargarine is stored; require for inspection all books, bills, sales records or any paper respecting oleomargarine; take samples of margarine wherever deemed necessary and at the expense of any business in whose hands the margarine may be at the time.

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Quebec

Smoke Chasers: Persuasion first, then force will mark the methods adopted by Montreal Smoke Prevention Bureau as it seeks to reduce smoke nuisance in the city. Recently authorized following adoption of a smoke prevention bylaw, new bureau will consist of 11 men selected through Civil Service Commission. Salaries will total $35,000 a year. Work undertaken will be mainly persuasive with officers seeking co-operation of business and industry throughout the city. Officers will advise installation of smoke eliminating equipment, introduction of best firing methods and other methods to reduce smoke emanation. If persuasion fails bureau can take court action against offenders and have fines imposed successfully until the offence is mitigated.

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Ontario

Tighten Traffic Act: Putting teeth in Ontario's Highway traffic Act, police have been ordered to seize and hold the car of any driver charged with drunk driving. Car will now be held until the case is disposed of or until a bond has been posted to the value of the car. Reason for this is so many drivers so charged have pulled a fast one by selling cars before their cases came up. Under new regulations car is held until an accused motorist is acquitted. If found guilty, car is held until expiration of the term of license cancellation. Said an officer, "drivers will think twice now before driving in a drunken condition."

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Manitoba

Those Northerners: To the people north of 53—that is, Flin Flon and thereabouts traditional official procedure of snipping a ribbon with scissors is too sissified and when the new northern highway to the town is opened June 24, the dignitary performing the function will need to know how to handle a blow torch. For the occasion, Flin Flon Chamber of Commerce is procuring a ribbon of copper made from ore of Hudson Bay Mining and Smelting mine, big enough and thick enough to require a torch to sever it. Road was completed last year from The Pas to Cranberry Portage and the section from Cranberry is being built this year. On this portion the Federal Government is paying half the cost.

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Saskatchewan

Future In Bricks?: Taking a long view of things due to changes in Prairie economy, Saskatchewan Minister of Municipal Affairs L. F. McIntosh has proposed modernization of government-owned brick plant at Estevan. Now running at a loss, plant takes five-weeks to turn out a batch of bricks. Planned is installation of a tunnel kiln to turn out batches every 36 hours, 10 million bricks a year. Would it be worth it? The minister pointed out the plant is well located to serve a wide competitive field extending from the province's western border, north to Flin Flon, east to the northern part of Ontario and south into North Dakota. Survey of raw materials has shown an unlimited supply.

Wild Bees And Prairie Seed: To H. A. Nelson, North Dakota seed importer, Saskatchewan and her neighboring provinces are the answer to a seed man's prayers. In recent address at Yorkton, site of a proposed cleaning plant, he foresaw in a "tremendous United States demand, a natural market for Canadian grass and forage seed, growing of which will become an important factor in the economy of Canada." To hordes of wild Canadian bush bees he credited the heavy yield as compared with expensive research carried on in U. S. seeking equally productive results. During 1948, he pointed out, Canada produced 500 cars of alfalfa, 400 cars of red clover, 700 cars of sweet clover and 200 cars of brome grass, most of which was snapped up by U. S. markets.

• • •

Alberta

Town Planner at 23: Young fellow with a big job ahead of him is Brahm Wiesman, 23, newly appointed assistant to Noel Dant, Edmonton town planner. McGill man Wiesman is believed to be the second scholar to earn his degree of master of architecture at a Canadian university. Trained as an expert in control of development of residential areas, that will be his main work at Edmonton. Initial projects will be planning of residential and community centres for Beau Park and other city housing subdivisions. To earn degree, Wiesman put in several years of practical planning work in Montreal and recently work commenced on a neighborhood project he helped plan for St. Lawrence River town, Cap de la Madeleine, Quebec.

• • •

British Columbia

Helicopter Idea: Getting an injured man out of B. C.'s woods is rugged business often necessitating rough movements by rail and water and long delays. One solution was offered to the Royal Commission now inquiring into the Workman's Compensation Act. Proposed was the idea of using one or more government subsidized helicopters to pluck injured loggers out of the rough country to speed them to hospital. These to be based at Alert Bay or Campbell River, areas which could service 5,000 loggers. If used also for charter service a subsidized air taxi might pay its own way, it was pointed out.

Urges Slum Clean-up: Climaxing a 3-year social work research into 40 blocks of slum areas now blighting Vancouver's Main Street, Prof. L. C. Marsh of UBC has come up with the suggestion that a $15 millions housing project be undertaken. Describing the area as ugly, squalid, depressed and vermin ridden, the professor nevertheless saw in it many features desirable for a residential district and a potential money maker for the city. At present city servicing in the area is close to $300,000 annually—revenue derived $150,000. In launching the project the city would become immediately eligible for outright grants from the provincial and federal governments amounting to $1,200,000.

COMPANY REPORTS

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ACADIA ATLANTIC SUGAR REFINERIES LTD. consolidated 1949 net profit was $883,480, down 24.4% from $1,168,351 in 1948.

President P. R. Gardiner states that before government control of sugar ended on March 31, 1950, the Crown Company had pursued a gradual modification to lessen any impact resulting from abrupt decontrol. Included in this was a readjustment of refined sugar prices, as of Dec. 27, 1949, to accommodate an increase in the cost of raw sugar.

ACADIA-ATLANTIC SUGAR CONSOL. EARNINGS

Years Ended Dec. 31:	1949	1948
Net earnings	$1,921,656	$2,337,239
Less: Deprec.	256,660	244,468
Bond int.	140,563	145,813
Taxes	640,953	778,607
Net profit	883,480	1,168,351
Less: 5% pf. divd.	150,000	150,000
Cl. A divd.	430,000	200,000
Surplus for year	303,480	818,351
Times Bond Interest Earned:		
Before deprec.	13.67	16.03
After deprec.	11.85	14.35
Earnings per Share and Dividend Record:		
5% Pref.	$29.45	$38.95
Paid	5.00	5.00
Class A▲	3.67	5.09
Class A■	1.72	2.20
Paid	1.00+1.15	1.00
Common■	3.89	5.79
None paid.		

▲Before participation.
■Maximum available for year under participation clause.

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1949	1948
Cash	$1,515,091	$466,536
Invests.†	371,922	376,384
Accts. receivable	1,749,314	1,297,142
Inventories	3,621,927	5,364,859
Life ins., c.s.v.	51,311	49,212
Total curr. assets	7,309,565	7,554,133
Defer. chgs., etc.	155,716	165,194
Fixed assets*	5,339,122	5,429,181
Excess of cost sub. shs. acq.	8,140,000	8,140,000
Total assets	20,944,403	21,288,508
Accts., etc., pay.	291,352	665,551
Taxes pay.	550,864	612,960
Total curr. liabs.	842,216	1,278,511
Property reserve	1,206,999	1,206,999
Funded debt*	3,900,000	4,075,000
Capital stock	3,300,000	3,300,000
Capital surplus	1,529,585	1,529,585
Distrib. surplus	735,000	735,000
Earned surplus	9,430,603	9,163,413
*After deprec. of	4,997,109	4,740,449
†Mkt. value	434,341	415,250
Working capital	6,467,349	6,275,622

DONOHUE BROS. LTD. 1949 net profit of $555,768 was up 4.1% from 1948. Newsprint production was 12% higher at 55,695 tons but pulp sales dropped to 4,442 tons from 13,426 and total production was therefore off 5% at 60,137 tons. President G. T. Donohue expects that 1950 total production of newsprint and pulp will be higher than 1949.

Capital expenditures amounted to $513,430, bringing the total since 1945 to about $2,250,000 and completing the major part of the capital improvement program.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$1,188,755	$1,038,957
Less: Depr. & depl.	265,224	189,663
Income tax	367,763	315,229
Net profit	555,768	534,065
Less: Divds.	150,000	150,000
Surplus for year	405,768	384,065
Earnings per Share and Dividend Record:		
Common	$3.71	$3.56
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1949	1948
Cash	$433,393	$225,142
Accts. rec.	567,763	637,532
Inventories	1,815,734	1,955,830
Total curr. assets	2,816,890	2,818,504
Misc. assets	487,261	418,384
Mach. payments	34,168	292,997
Fixed assets*	2,935,372	2,366,807
Total assets	6,273,691	5,896,692
Accts. & tax. pay.	496,991	595,788
Adv. re pulp sls.	242,214	248,584
Total curr. liabs.	739,205	844,372
Note pay.	638,000	725,000
Loan pay.	159,713	64,208
Capital stock	2,000,000	2,000,000
Earned surplus	2,736,773	2,263,112
*After depr. of	3,734,107	3,434,195
Working capital	2,077,685	1,974,132

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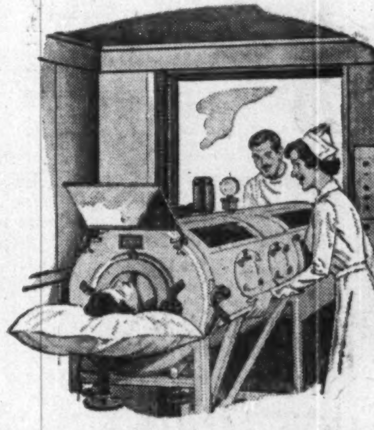

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Otis hospital elevators have an almost human regard for a patient's comfort. Micro self-leveling at landings permits beds, stretchers and iron lungs to roll on smoothly. Silent rubber-tired roller guides, sound-isolated cars and rubber-tired door hangers obey the warning, "QUIET PLEASE!"

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*BONUS: *Something given in addition to what is usual or strictly due.*
—Webster's Dictionary.

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70,000 Cars in 1950 U. K. Target For Canada

Is there any justification for alarm in the Canadian automobile industry at increasing sales of British cars? How many cars do United Kingdom manufacturers figure on selling in Canada in 1951? Are any of them planning to manufacture here? How about jet cars? How long can the British Labor Government last?

These were some of the questions thrown at Sir William Rootes, one of the U. K.'s leading auto manufacturers, at a press conference in Toronto last week. With his two sons, Geoffrey who is managing director of the Rootes Co., in Coventry and Brian, regional director for North America. Sir William was in Toronto for a dealer and service conference. He came fresh from the successful all-British automobile show in New York. A similar show is planned for Canada in 1951.

How about increasing sales of British cars? They are increasing and will continue to increase, said Sir William. In 1949, British cars captured 11.7% of the total Canadian market. In 1950, he thinks they might get as much as 25%. That might run into 70,000 cars. His own firm sold about 7,000 last year; expects to sell at least 10,000 this year.

Buy More From Canada

But this shouldn't alarm the Canadian industry, he said. The more cars the U. K. sells in Canada, the more dollars are spread around in the sterling area to buy Canadian goods, including cars. He pointed out that Canadian exports of cars had dropped sharply because sterling area customers had no dollars to buy with. As U. K. car sales go up, the chances of Canada recapturing some of the important export market increase. This would offset the inroads being made in the Canadian domestic market by U. K. cars and more importantly, be a step back along the road to resumption to normal pre-war trading.

"We've got to sell to you so we can afford to buy from you," he said. "That's the only way you can keep your traditional markets in Britain and the only way we can close the dollar gap."

Is Rootes planning to make cars here? It all depends on the demand for them, Sir William said. If enough people want them to warrant a factory here, it will be built. He first talked about selling cars in Canada 20 years ago with Robert Fennell, Toronto K.C. Today Fennell is president of Rootes Motors (Canada) which also controls Rootes Motors Inc., the U. S. firm and also Rootes Motors (Caribbean) Ltd.

Growth of Group

What does the Rootes organization look like today in the U. K. and Canada? Sir William began his career in the auto business selling U. S. cars in Britain. Later he switched to British cars and, with his brother, bought the Hillman Motor Co. At the start, they produced five cars a week; today, 500. In addition to the Hillman Minx, they make the Sunbeam-Talbot, Humber and Commer Karrier (trucks buses municipal vehicles). Total production: 2,000 units a week.

Although only in Canada since 1947, Canada is already one of Rootes biggest export markets. Rootes now has 300 dealers coast-to-coast, two parts depots and headquarters in Toronto, employing a staff of 50. All together, the Rootes operations in Canada give employment to 2,000 persons. They sold around 7,000 cars in 1949; expect to sell 10,000 this year. If they had them, they say they could sell a lot more. Right now, they're rationing cars to every one of the 119 countries they sell in. Over-all demand is three times as great as supply.

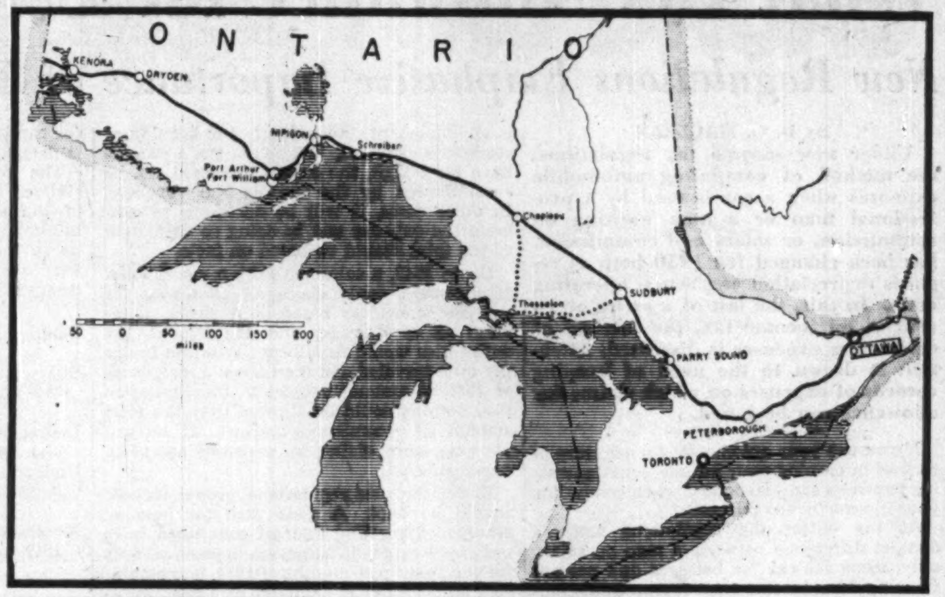
How about jet cars? Right now the world's first jet job is on display in the posh Rootes showroom on Park Avenue in New York City. It is only an experimental car and goes back to Britain shortly for more research. It was made by the Rover Motor Co. for which Rootes is sole representative on this continent.

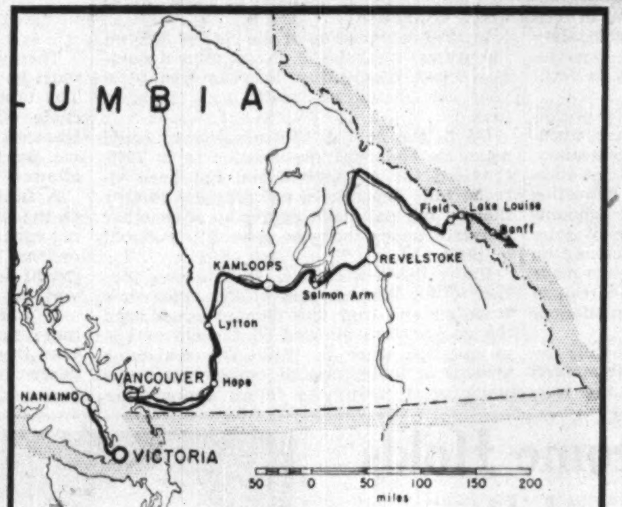
Jet cars, Sir William feels, will be common in 10 years, and will suit Canadian conditions down to the ground. Water isn't needed for cooling: the engine is air-cooled; fuel— coal oil— is cheap. Over Canada's vast territory and long trips, operating costs should be cheaper. But Sir William has one peeve. "Don't call them jets. Call them gas turbines. Jets would scorch everyone on the road to a frazzle." (In pure jets, power is delivered directly; the exhaust is a blast of scorching gas; in gas turbines, it is done indirectly—in the case of automobiles, through a drive shaft: the exhaust is not much different than today's cars.

How long will the British Government last? This question came up at the start of the press meeting At the moment, the crucial vote on the budget was being taken in the U. K. Sir William said he was ready to bet the government would win. A few minutes later, the news that it had, was flashed to the conference.

"Frankly," he said, "I don't think the Conservatives want the government defeated at the moment. I don't think they will be, at least, not for a while."

Here Are Routes Trans-Canada Highway Will Follow Through Ontario, British Columbia





CITY OF PETERBOROUGH, Ont. new issue of 2¾%, 3% and 3¼% serial debentures has been sold by tender to a syndicate composed of Wood, Gundy & Co., Gairdner & Co. and the Royal Bank of Canada. Price was $100.9337 or a cost to the city of about 2.91%. The issue consists of $22,000 2¾% debentures due Dec. 31, 1950 to 1954; $812,159.53 3% debentures due Dec. 31, 1950 to 1969 and $98,053.47 3¼% debentures due Dec. 31, 1950 to 1964. The 1950-59 maturities are being offered to yield 2.50%; the 1960-64 maturities to yield 3.00% and the 1965-69 maturities to yield 3.03%. Proceeds will be used for a new sewerage disposal plant, pavements, waterworks, sewers and improvements to industrial sites.

Howard Smith Mills Earnings Satisfactory

MONTREAL (Staff)—Both demand for the company's products and company earnings have been reasonably satisfactory in the first quarter this year, President E. Howard Smith told shareholders of Howard Smith Paper Mills Ltd. at annual meeting.

Net profit in 1949 was $3,161,445, equal to $8.54 per common share, against $3,377,622 or $9.19 per share the year before. Despite lower export business, domestic demand improved following somewhat reduced summer operations and was favorable through the final quarter of 1949, annual report stated.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

RELIANCE PETROLEUM LTD. reports a 1949 net profit of $183,093, down 13.6% from $211,798 in 1948. Sales increased substantially, state Directors W. G. Perry and F. J. Moore and outlook for the current year is "encouraging."

This is the first report since reorganization and amalgamation of operation in early 1949. At that time purchase of the assets of two marketing companies was approved and the three operations consolidated into Reliance Petroleum Ltd. Head office is now 343 Richmond St., London, Ont., and expanding operations have already required some expansion of the premises.

It is stated that large sums of surplus cash are not required by the company and policy will be to employ available capital, beyond reasonable working requirements, in improvement and expansion of marketing facilities.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings♦	$326,167	$345,298
Less: Debent. int.	8,074	......
Prov. for taxes	135,000	133,500
Net profit	183,093	211,798
Less: Pref. divds.	16,006	......
Surplus for year	167,087	211,798

♦After provision for deprec. of $269,438 in 1949; unstated in 1948.

Earnings per Share & Dividend Record:

	1949	1948
Pref.: Earned	$19.30	$22.33
Paid	1.68¾	....
Cl. A*†	2.36	2.98
None paid.		
Cl. B†	5.52	6.77
None paid.		
Cl. A & B‡	1.71	2.12

†Before (‡after) participation feature.
*After full year's pref. dividend.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948■
Cash	$207,495	$228,544
Accts. rec	510,900	493,390
Inventories	282,406	251,635
Total curr. assets	1,000,801	973,569
Prep. exp.§	†38,358	40,622
Mtges. rec.	386,866	339,834
Misc. assets▲	23,998	14,490
Fixed assets	3,689,848	2,511,978
Goodwill, org. exp.	237,604	224,478
Total assets	5,377,475	4,124,971
Bank loan	250,000	361,000
Other curr. liabs.	805,819	696,802
Total curr. liabs.	1,055,819	1,057,802
Res. for deprec.	1,817,419	727,676
Other res.	67,825	21,200
Funded debt	453,849	607,675
Capital stock	1,554,364	1,449,506
Earned surplus	428,199	261,112
▲Incl. ref. EPT	8,998	14,490

■Pro forma, after giving effect to acquisition of Thayers Ltd. and issuance of $300,000 debentures.
§Included in curr. assets in co's report.
†Includes supplies.

Excess of curr. liabs. over curr. assets	55,018	84,233

BARNAT MINES has indicated a sufficient tonnage in its North National zone to assure a profitable operation although no statement of ore reserves there can yet be made. R. R. Basserman, general manager, states in the company's annual report.

With emphasis on development of the National section, a loss of $124,637 is reported for 1949.

President M. A. Thompson states that the North zone has responded in a "remarkable manner" and that widespread ore occurrences make "an intriguing picture."

Advances from Sladen-Malartic totaled $550,447 at the end of the year but the company had $242,068 working capital at the end of the year.

The structure of the north zone is stated to be complicated, with much work required to establish continuity of individual shoots between levels. Approximately 50% of the ore intersections obtained to date is diorite of better than average grade.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948▲
Bullion prod.	$688,765	$204,562
Less: Oper. exp.	844,019	332,251
Oper. loss	155,254	127,689
Less: Other inc.	2,640	1,493
Cost-Aid assist.	54,940	21,958
Add: Depr.	3,036	252
Int.-Sladen	23,927	......
Preprod. exp. w/o	......	20,832
Net loss & deficit†	124,637	125,322

▲From July 5.
†Tsf. to preprod. expenses.

BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$128,730	$24,583
Accts. rec.	445	698
Cost-Aid assist.	61,402	21,958
Inventories	110,310	129,741
Total curr. asets	300,887	176,980
Preprod. exp.	562,442	312,483
Deferred chgs.	21,492	9,779
Deferred dev.	18,795	......
Mining props.	351,668	351,665
Equip.*	38,972	13,398
Deficit	......	125,322
Total assets	1,294,256	989,627
Total curr. liabs.	58,819	49,072
Due Sladen-Malartic	412,447	117,568
Funded debt	138,000	138,000
Capital stock	684,990	684,987
*After depr. of	3,288	252
Working capital	242,068	127,908

OPERATING STATISTICS

	1949	1948
Tons milled	217,304	204,170
Average recov.	$3.17	$1.00
Ore reserves, tons	310,650	241,000
Grade ($35 gold)	$3.78	$3.15

DONALDA MINES experienced a loss of $2,260 in 1949 after paying $67,117 cost of 30,612 ft. of exploratory diamond drilling. No write-offs for depreciation of deferred development were made.

After increasing capitalization from three to four million shares, May 14, 1949, 700,000 shares were sold to realize $302,500; 300,000 shares remained under option at 55 to 75 cents a share.

"The central portion of the mine to date below the first level has not produced much ore due to faulting, but these faults are being worked out and we anticipate adding appreciable amounts from this block to our reserves," Manager T. C. Fawcett reports.

INCOME ACCOUNT

For Periods of:	Year ended Dec. 31 1949	Oct. 31 to Dec. 31 1948
Bullion prod.	$467,069	$88,679
Less. Oper. exp.	649,041	98,480
Oper loss	181,972	9,801
Less: Cost aid	178,906	38,884
Other inc.	806	1,750
Net loss & deficit	2,260	■30,833

■Profit or surplus.

Earned per share	d$0.0.06	$0.01

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$250,539	$49,058
Accts. rec	373	2,918
Cost aid rec.	58,529	38,885
Supplies	14,433	19,641
Total curr. assets	423,874	110,502
Misc. assets	21,757	45,721
Deferred expend.	746,586	746,586
Mining prop.	305,613	305,613
Bldgs. & equip.	208,583	190,204
Total assets	1,706,413	1,398,628
Total curr. liabs.	30,407	21,360
Capital stock	1,558,750	1,346,233
Capital surplus	89,983	......
Earned surplus	†27,273	30,833

†After $1,300 unamort. loss on sale fixed assets.

Working capital	393,467	88,942

OPERATING STATISTICS

	1949	■1948
Tons milled	81,426	13,601
Aver recov.	$5.74	$6.52
Ore reserves	243,800	
Grade ($35 gold)	$6.81	

■For period Oct. 23, 1948 to Dec. 31, 1948.

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WANT TO KEEP ABREAST OF TRADE?
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Your Personal Income Tax

What Tax Allowance for Use of Auto?

New Regulations Emphasize Importance of Keeping Records

By D. G. MACLEAN

Under new income tax regulations, the method of computing automobile expenses when a car is used by a professional man or a man working on commission, or salary and commission, has been changed for 1950 both as regards depreciation and actual operating costs. In this, the last of a series of 10 articles on income tax, the method of calculating expenses is discussed. Attention is drawn to the need of keeping records of expenses on which claims for allowance can be based.

If you use your automobile for pleasure as well as in earning your income, what operating expenses can you deduct when computing your income for tax purposes?

At the outset the regulations make a distinct difference between a man on salary only, using his car for business and persons drawing their income from fees, commissions or from both salary and commissions or fees.

If you are working on a straight salary you normally are not allowed any expenses for operating your car, the salary is reckoned to be all net income.

In the case of doctors and other professional men and salesmen, etc., however, working on commission or commission and salary, the situation is different. Here, cost of automobile expenses is an allowable deduction from commissions or other similar amounts fixed by reference to the volume of sales made. In the case of the man working on salary plus commissions, the proviso is made that the amount of expenses claimed cannot exceed the amount of the commissions earned.

In determining the cost of automobile expenses to professional men and salesmen on commission, the establishment of the facts is all important. Accordingly the keeping of records is essential. Where adequate records have been kept, the expense claimed can be substantiated by the records and vouchers. In other cases, it will be necessary to estimate the expense and in doing so each item of the total should be based on facts.

Up to 1949, a salesman with a commission arrangement could claim an allowance for the use of his car based on a sworn statement as to mileage, and the income tax authorities would usually set a certain figure per mile traveled and then allow a maximum of 75% of amount subject to the limitation that nothing could be allowed over the total amount of commissions earned. If records were not kept, claims for expenses had to be reasonable.

Under the new regulations, proper records should be kept. A good plan for keeping records of gasoline and oil purchased is to use credit cards. If taxpayers have no records for the first three months of 1950, it is assumed that reasonable estimates of expenditures would be allowed.

In 1950 depreciation at the rate of 30% on the present net balance of cost after deducting depreciation taken in prior years, on your car, should be treated as a separate item.

Up to the end of 1949 a salesman could make his claim for depreciation as in 1948, provided the automobile had not been already fully depreciated and provided further that he did not claim depreciation on other property under the new method introduced in 1949.

Under the new method, the business portion of the original cost of the automobile is set up and from this amount is deducted the depreciation allowed on the automobile in question prior to 1949. The remaining amount or undepreciated capital cost is the figure upon which the future depreciation (or capital cost allowance as it is now called) is determined.

The maximum allowance that may be claimed is established by regulations as 30% of the undepreciated capital cost and the salesman may claim any amount each year up to the maximum. Here is how the new and old methods of taking depreciation compare.

	Old Method	New Method
Original cost of car (1947) ..	$2,000	$2,000
Business portion (assuming 75%)	1,500	1,500
Depreciation (20% for 1947 and 1948)	600	600
Undepreciated capital cost beginning of 1949	900	900
Maximum allowance for 1949	300 (20% of 1,500)	270 (30% of 900)

Operating Expenses

Then your operating expenses as indicated must be supported by records and vouchers. The operating expenses allowed would include oil and gasoline, grease, insurance, reasonable expenses for washing, parking, etc. But here again the 75% is the proportion allowed for business expenditures.

A farmer is allowed depreciation at 20% on the original cost plus a part of the operating expense, both allowable depreciation and expense being calculated in proportion to the extent to which the automobile is used in working the farm.

If you sell your car during the year for more than the depreciated cost, you must take into your income any excess over the depreciation written off in 1949 and subsequent years.

Operating Income Holds For Consolidated Paper

MONTREAL (Staff) — Net operating income of Consolidated Paper Corp. in the first quarter was substantially the same as in the corresponding 1949 period, President George M. Hobart told shareholders at annual meeting last week.

Newsprint operations, cut back somewhat late last year with falling off in overseas orders, are once more at capacity, Mr. Hobart said. Current demand for board, kraft paper and kraft pulp also requires capacity output. U. K. market for sulphite pulp was partially restored starting with the second quarter.

Change in the newsprint picture came with the end of the U. S. coal strike. Stocks held by U. S. publishers had dropped to 36 days' supply and their consumption was up 8.5% over the first two months of 1949. Demand then strengthened and company's newsprint production increased to capacity.

Overseas Prospects

Demand from overseas newsprint contract customers will return when publishers convince their government that they can't get their newsprint from Scandinavia, the president said.

He indicated that the uncertainty which faces Canadian producers on overseas orders may change the pattern of newsprint trade with the traditional customers. He pointed out that an exporter can't build up an export market on spasmodic surpluses, nor can an importer expect to maintain a dependable source of supply on spasmodic demand. Overseas publishers with whom company has long term contracts, protested to no avail against U. K. Government's view that Canadian newsprint could be replaced with U. K. and Scandinavian supplies.

Regarding company dividend policy, President Hobart said that directors want to maintain a steady continuous and dependable income for shareholders. This can be done, he suggested, by (1) establishing a regular dividend at a rate which company expects it can always pay, and paying an extra when earnings warrant it; (2) reducing debt by a reasonable percentage of the earnings according to the terms of the trust deed; (3) making prudent provision for ample working capital and for the maintenance of efficient plant and equipment.

Dividend Record

Out of $22½ millions earned in 1948 and 1949, Consolidated Paper had paid $9 millions in dividends—the largest amount paid out by any Canadian paper company. Another $8 millions went towards debt reduction (debt now less than 63% of working capital). Only 24% of net earnings ($5½ millions) was retained in the business to keep up with the needs of the market, he said.

Expenditures of $14 millions in the past five years on plant modernization and other improvements have brought capacity of company's mills to the highest level in its history. Cost reductions have resulted, but there are still many important projects to be undertaken. What is considered efficient today will not remain so indefinitely; hence the need to retain part of the earnings for such capital undertakings, Mr. Hobart said.

Company's inventories had increased from $7.9 millions in 1939 to $36.5 millions in 1948. They dropped by $5½ millions in 1949, but will rise again this year, the president stated. Greatest part of these inventories is pulpwood, cost of which in 1949 was 287% of 1939 cost. Company had anticipated lower pulpwood costs due to unusually good cutting and hauling conditions up to Dec. 17 last year, but an abnormal thaw which cut hauling to less than 50% spoiled these hopes.

How Costs Have Gone Up

Cost increases in 1949 over 1948 included: pulpwood, 6.6%; labor, 4.7%; rail transportation, 14%; taxes other than income tax, 8%. In addition, federal income tax rate was increased 10%. Small decrease in business volume was partly responsible for lower profit ($4.28 per share vs. $4.57 in 1948), but principal cause was higher costs, Mr. Hobart said. These higher costs were partly offset by a 1¼% increase in average net sales price received for all products and $500,000 decrease in controllable expenses.

In reply to a shareholder's suggestion that dividends be placed on a quarterly basis, the president said that from expressions of opinion he'd received from various shareholders, only one-quarter were in favor of quarterly rather than present semi-annual payments. No action was taken on a subsequent suggestion that a poll of opinion be taken among shareholders when the July dividend cheques are mailed.

LOUVICOURT GOLDFIELD has received payment for 95,000 shares at 17½c a share and 10,000 shares at 20c a share under agreement with Federal Trading & Agency Ltd. Issued capital is 4,810,000 shares, leaving 190,000 in treasury.

N. B. May Start 4% Sales Tax Early in June

From Our Own Correspondent

FREDERICTON — The New Brunswick Legislature ended its 1950 session last week after enacting into law 172 bills. Two others were not reported and six were withdrawn. It was the liveliest session in recent years.

Most important of the new acts is the Social Services and Education Act—a sales tax of 4% to be levied on a wide range of goods sold at retail. This act was given Royal assent on April 28 and will become effective on proclamation. The likely date is now believed to be June 1.

Several additional exemptions were introduced by the Government on second reading, the most important being electricity for all uses. This act touched off a storm of opposition from all parts of the province long before the Legislature assembled on March 7.

The Legislature passed an enabling act to permit the province to participate in the federal-provincial-municipal housing program. Under this plan the federal treasury pays 75% of the cost of new housing projects with the province and municipality concerned sharing the remaining 25%.

The Trans-Canada Highway Act which was passed provides that New Brunswick may from time to time enter into an agreement with Canada respecting the Trans-Canada Highway "upon such terms and conditions as may be determined by the Lieutenant-Governor-in-Council."

During the last week of the session some $19 millions was provided for in "money bills" for capital expenditures. The total supply vote was $28,803,319.

JOHN PARKINSON

has been appointed vice-president and general manager, Vokes (Canada) Ltd., Toronto. Before coming to Canada, he was sales manager of the parent company, Vokes Ltd., Guildford, Eng.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

TECK-HUGHES GOLD MINES reports a net profit of $1,130,182 for 1949. This is equivalent to 24c a share, against 12c in 1948. From 120,415 tons of ore treated, 36,673 oz. of gold and 10,089 oz. of silver were recovered, realizing $1,436,791 or $11.93 per ton.

In May, June and July the tonnage milled was gradually increased from around 230 to 400 tons daily, which was maintained for the balance of the year. All of this increase came from the deeper levels, following the extensive reconditioning and redevelopment program begun in 1947.

President D. L. H. Forbes states that recovery of ore from deep levels was the objective in 1949 and 46.5% of the tonnage treated came from levels below the 44th. He declares that "with existing governmental taxation, controls and subsidies increasing the cost of gold production and holding down the price of gold we cannot at present see profitable operation of the Teck-Hughes Mine beyond 1952." He added, however, that the company's principal source of revenue, the subsidiary Lamaque mine, shows favorable indications.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion prod.	$1,339,528	$1,010,737
Less: Oper. exps.	1,183,779	1,061,224
Oper earnings	155,749	*50,487
Less: Deprec.	5,478	......
Income tax	......	3,750
Add: Lamaque divds.	871,488	580,256
Cost-Aid assist.	97,264	39,199
Int., gen. inv.	11,159	11,166
Net profit	1,130,182	576,384
Less: Dividends	721,072	721,072
Surplus for year	409,110	*144,688
*Loss or deficit.		
Earned per Share	$0.24	$0.120
Paid	0.15	0.15

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$315,401	$264,314
Govt. bds., cost	1,380,000	780,300
Accts. rec.	6,719	8,969
Stores	167,254	173,590
Mkt. secs.†	145,196	63,468
Total curr. assets ..	2,014,670	1,290,641
Prep. & def. chgs.	9,207	17,204
Lamaque Gold M.‡ ...	2,551,569	2,551,568
Other invests.	2,000	217,131
Mining props.	4,534,936	4,534,937
Plant & equip.*	67,179	79,656
Total assets	9,179,561	8,691,137
Accts. & tax. pay.	65,076	58,497
Other curr. liab.	315,357	291,298
Total curr. liab.	380,433	349,795
Capital stock	4,807,144	4,807,144
Surplus	3,991,984	3,534,198
*After depr. of	2,055,367	2,049,888
†Market value	138,795	65,385
‡No. of shs. held ...	2,421,000	2,421,000
Working capital	1,634,237	940,846

OPERATING STATISTICS

	1949	1948
Tons milled	120,415	73,885
Average recov.	$11.12	$13.68
Ore reserves, tons ...	227,658	246,063
Grade ($35 gold) ...	$12.64	$12.72

MARCUS GOLD MINES states that, under offering of rights to shareholders of record March 25, 266,455 shares were subscribed for at 15c a share. The balance of 36,055 shares are underwritten at the same price and will be taken up very shortly, it is stated. Issued capital is 3,291,450 shares, leaving 208,550 in treasury.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EAST SULLIVAN MINES realized a net profit of $2,718,576 equal to 67 cents a share in 1949, its first year of production. Through surplus account, the company at year-end wrote off $621,468 for premilling expense, reducing that account to $1,404,089.

Ore reserves after milling 768,746 tons of ore averaging 2.05% copper, 1.14% zinc, 0.023 oz. gold and 0.51 oz. silver, amounted to 4,430,000 tons averaging 1.95% copper, 1.11% zinc, 0.020 oz. gold and 0.45 oz. silver per ton.

Tonnage of ore treated was gradually increased from 867 tons daily in January to 2,056 tons in April. Tonnage was further increased as fast as the mine would supply the ore until an average rate of 2,500 tons daily was reached which Mine Manager L. T. Postle states appears to be maximum capacity for efficient operation.

It is estimated that a net profit of $100,000 annually can be realized from a new pyrite recovery and drying plant which was recently placed in operation.

No work was completed at the 900-ft level while work at the 1,050-ft. level indicates a low grade horizon as is stated to often occur in sulphide replacement ore bodies.

Six new levels are to be opened up down to a depth of 1,950 ft., 900 ft. below the present bottom level. Surface drilling in more outlying parts of the property is also planned.

INCOME ACCOUNT

Year Ended Dec. 31:	1949
Prod. rev.	$7,326,906
Less: Oper. exps.	4,384,661
Oper. earnings	2,942,245
Less: Interest	107,212
Tax	116,457
Net profit & surplus	2,718,576
Earned per Share	$0.67
None paid.	

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$25,917	$52,313
Accts. rec.	4,080	4,174
Concentrates	1,573,981	......
Stores	295,435	267,677
Total curr. assets ..	1,899,413	324,664
Misc. assets	15,707	46,291
Preprod. exp.†	1,404,089	2,040,005
Mining props.	310,108	309,108
Plant & equip.	3,785,077	3,370,742
Total assets	7,414,394	6,090,810
Accts. & taxes pay. ..	358,103	769,437
Other curr. liabs.	26,209	21,083
Total curr. liabs. ...	384,312	790,520
Funded debt	800,000	1,150,000
Capital stock	4,150,503	4,150,290
Surplus	2,079,579	......
†After w/o of	621,469	......
Working capital	1,515,101	■465,856

■Excess of curr. liabs. over curr. assets.

OAKVILLE WOOD SPECIALITIES LTD., Oakville, Ont., reports a consolidated 1949 net profit of $121,960, compared with $110,480 in the year ended Oct. 31, 1948.

President G. E. Purdue states that, in the basket and skewer department, the company commenced with logs and carried through to distribution of the finished products. Since purchasing Dominion Plywoods Ltd. on Dec. 1, 1949, the veneer department also starts with logs and carries through to distribution of completed plywoods and moulded panels, resulting in economies and profits not existing when only part of the operations were performed by the company.

Business outlook continues favorable for 1950, it is stated.

CONS. INCOME ACCOUNT■

Years Ended:	Dec. 31 1949	Oct. 31 1948
Net earnings	$294,085	$200,389
Less: Deprec.	60,775	19,163
Bond int.	19,250	......
Inc taxes	92,100	70,746
Net profit	121,960	110,480
Less: Pref. divds.	7,500	......
Surplus for year	114,460	110,480
Earnings per Share† and Dividend Record:		
Pref.: Earned	$48.78	$44.19
Paid	3.00	....
Com.: Earned	1.07	0.95
None paid.		

†Based on present capitalization.
■Incl. Oakville Basket Co. and Dominion Plywoods Ltd. in 1949; Oakville Basket Co. only in 1948.

CONDENSED CONS. BALANCE SHEET†

As at:	Dec. 31 1949	June 1 1949
Cash	$570	$1,880
Accts., etc., rec.	245,137	200,263
C.s.v.—life insur.	7,110	6,710
Inventories	316,202	339,948
Total curr. assets ..	569,019	548,801
Misc. assets▲	11,524	9,600
Fixed assets	969,145	862,532
Total assets	1,549,688	1,420,933
Bank overdraft	116,273	22,781
Accts., etc., pay.	83,966	178,491
Total curr liabs. ...	200,239	201,272
Funded debt	600,000	600,000
Capital stock	619,661	619,661
Capital surplus	114,316	......
Earned surplus	15,472	......
▲Incl. ref. EPT of ..	1,286	1,160
Working capital	[illegible]	[illegible]

†Incl. Glover Basket Co. and Dominion Plywoods Ltd. in Dec. 31, 1949, accts.; Glover Basket Co. only in June 1, 1949, accts.
‡Incl. in def. assets in co's report.

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INCOME TAX

Annuity Premiums

Are annual payments made by an individual to the Dominion Government or to a life insurance company to purchase an annuity, deductible from income when computing income tax? Are there any circumstances under which such payments may be deducted?

Such payments by an individual to purchase an annuity are not deductible from income for income tax purposes except where they are made to an approved corporation pension plan. In that case the contributions are deducted from the employee's pay before he gets his wages or salary. But when the payments are made by individuals acting singly, no deduction is allowed.

INVESTMENTS

Cons. Textile Mills

Will you please give me a brief description of ConsolidatedTextile Mills operations. What has been the earnings trend over the last several years?

Consolidated Textile Mills was incorporated in April, 1946, to acquire all the outstanding shares of Consolidated Textiles Ltd. and Duplex Textiles Ltd. Both these companies operated mills at St Hyacinthe, Que. which produced fabrics for the cutting up, jobbing and retail trades. Their production included rayons, nylons, silks and mixed fabrics used in making lingerie, dresses, blouses, housecoats and children's wear. Consolidated Textiles has been in business since 1929, and Duplex Textiles since 1941.

According to a prospectus in connection with the issue of the preferred shares, earnings after taxes (calculated at 1946 rates) for the combined companies were as follows: 1941, $56,157; 1942, $52,819; 1943, $60,519; 1944, $51,313; 1945, $61,355. Combined earnings for the four months ended April 30, 1946 amounted to $30,072 and earnings for the remainder of that year, after incorporation of the new company, totaled a further $66,224. Subsequent earnings were: 1947, $202,947; 1948, $552,980; 1949, $589,534. On a per share basis, common earnings were $2.87 in 1949 against $2.67 the year before.

Company has gradually reduced the number of outstanding preferred shares so that by the end of 1949, the original 20,000 had been reduced to 15,620.

Since its incorporation in 1946, the company has built a new plant at Joliette, Que., and plans construction of a new modern plant at St. Hyacinthe which will combine the two operations now being conducted in separate plants there.

Canada Kelp Co.

What is the position of Canada Kelp Co.? What is the position of a holder of shares of this company?

R. W. T. Burleigh of the Vancouver investment firm of Burleigh & Partners Ltd. advises The Financial Post as follows:

"Regarding Canada Kelp Co., this company has gone into voluntary liquidation and, from what I can gather, the shares are worthless.

"There is no possibilty of resuscitation in my opinion."

Canada Kelp Co., Vancouver, B.C. was incorporated in April, 1946 to harvest and process kelp and kelp products at its property on Deer Island near Hardy Bay on the northeastern end of Vancouver Island. It went into voluntary liquidation on Nov. 24, 1948 with J. D. Mather as custodian.

Powell River To Increase Production By 50,000 Tons

Powell River Co. is planning improvements to its paper machines and auxiliary equipment which will involve an expenditure of up to $3.5 millions and which would further increase production by about 40,000 tons a year, President H. S. Foley told shareholders at the annual meeting.

In addition this year four paper machines have been speeded up and one more is being speeded up. These changes will increase annual capacity by some 11,000 tons and should bring the total newsprint production for 1950 up to about 300,000 tons, Mr. Foley said. (Newsprint sales in 1949 amounted to 283,347 tons).

The combination of the machine speed-ups and the improvements planned will mean a total increase in newsprint capacity of 51,000 tons or approximately 18% over last year. The additional production from the proposed improvements would not be available until 1952, Mr. Foley said.

Directors declared the regular quarterly dividend of 50c payable June 15 and an extra of $1.50 a share.

"This extra is not predicated on any percentage of our contemplated earnings for the first half of 1950 but is declared in the light of our present financial position," Mr. Foley stated. "With our working capital at its current level it was felt that we could safely make this special distribution to our shareholders."

Directors intend to continue the policy of supplementing the regular quarterly 50c dividend with extra distribution in June and December so long as justified by earnings and prospects, he added.

Powell River's sales position in newsprint and sulphite pulp is very satisfactory, Mr. Foley stated. In newsprint, it has an established market for its maximum production, mostly covered by long term contracts with Canadian and American newspapers.

Demand for unbleached pulp has materially improved during the past eight months. The mill has been on full production since the first of the year and over-all production for sale in 1950 is estimated at 40,000 tons, all of which has been sold on a contract basis.

"It would appear that our newsprint and pulp mills will operate at maximum capacities throughout the year," Mr. Foley said. "This has been borne out by the results of the first quarter which show our production and sales to be 2,000 tons in excess of the first quarter of last year."

On March 29, 1950 Powell River produced 1,035.5 tons of newsprint establishing what it believes to be a 24 hour world's record from any one mill, Mr. Foley stated.

In reviewing mill operations, Mr. Foley noted that the efficiency of the hydraulic barking units improved during the year, requiring 8% less hours of operation to produce 6% more wood. Total wood processed averaged 15 million ft. per month. As a result of efforts toward pulp quality improvement it appeared that the necessary techniques have been developed so that the company's unbleached sulphite pulp will be a domestic leader in quality, he said.

Daily average production of newsprint has increased from 741 tons in 1948 to 934 tons in 1949. So far this year the average daily production is greater than 1949 and for the week ended March 26, the average exceeded 1,000 tons per day.

Wood usage was in excess of 180 million feet of logs in 1949. Actual wood consumption per ton has substantially decreased over the past three years as a direct result of the new wood processing plant installed. This saving in wood costs is approximately $500,000 annually, Mr. Foley said.

Approximately 1% of the company's wood requirements came from so-called "salvaged material" and we hope to make further increases in the use of forest wastes during 1950, he added.

A new logging operation in the Queen Charlotte Islands started production late last year. About $1 million has been spent in developing this camp which, when fully manned, will employ about 275 men, and will produce 50 million feet of logs annually. Plans are being developed along permanent lines.

"In the matter of forest management licenses we are actively engaged with our own and allied industries in trying to work out certain matters pertaining to taxation and land tenure with both the Federal and Provincial Governments," Mr. Foley said.

Labor agreements for the year beginning May, 1950, negotiated with the two International Unions, covering operations at Powell River, provided for an increase in the base wage rate from $1.06 to $1.12 per hour, highest base rate in the industry, Mr. Foley said.

Negotiations are at present under way for the renewal of the logging industry agreement with the I.W.A. covering woods employees, which expires on June 15.

COMPANY REPORTS

ROYAL CANADIAN OILS LTD. in 1949 took advantage of tax regulations permitting the setting up of full reserves against actual development costs, and as a result shows no surplus for the year.

Total net revenue from the Turner Valley field at $34,000 showed little change from 1948. Net revenue from the Lloydminster field amounted to $9,172.

President J. H. Forester states that plans are being made for joint development with other companies.

INCOME ACCOUNT

Years Ended Oct. 31:	1949	1948
Production	$74,155	$65,544
Less: Prod. exp.	37,381	14,479
Operating profit	36,774	51,065
Add: Vantage rev.	3,000	3,000
Other inc.	872	......
Less. Gen. exp.	10,002	13,719
Int., disc.	99	4
Depr. depl.	30,545	40,342
Net prof. & surp.	nil	nil
Earned per Share	nil	nil
None paid.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1949	1948
Cash & Dom. bds.	$25,842	$1,113
Accts. rec.	14,423	15,285
Casing	14,947	16,626
Total curr. assets	55,212	33,024
Investments	50,865	61,209
Deferred chgs.	33	70
Vantage Oils	23,061	27,484
Leases	63,220	59,220
Fixed assets*	21,874	19,061
Wells†	34,627	47,188
Total assets	247,802	247,316
Total curr. liabs.	1,361	5,667
Depletion res.	73,841	60,260
Capital stock	360,285	360,285
Less: Deficit	177,595	178,896
*After depr. of	36,698	33,923
†After depr. of	348,306	334,217
Working capital	53,851	27,357

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Fire Losses in Ontario Decrease in 1st Quarter

Fire losses in Ontario in the first quarter of 1950 showed a decline of about 31% in number and 23% in total monetary value from last year. Provincial Fire Marshall W. J. Scott reports the number of fires in the quarter at 3,460, with a total fire loss of $4.8 millions and an insured loss of $3.8 millions.

Fatalities from fire in the first quarter were 42, including 14 men, 11 women and 17 children. In the first quarter of 1949, fire fatalities totaled 33. There were 81 persons injured (150 in 1949).

Losses for the first quarter this year and in 1949 follow.

ONTARIO FIRE LOSSES
1st QUARTER

	No. of fires	Total loss	Insurance loss
1950	3,460	$4,875,249	$3,797,285
1949	5,049	6,318,467	5,065,884
Decrease	1,589	1,443,218	1,268,599

Fifteen fires occurred during the quarter in which losses exceeded $50,000 each. They were: a tavern, Ottawa, $252,200; an accessories store Ottawa, $250,363; a floor and wall tile factory, $133,613; a school, Hanover, $125,067; shoe factory, Toronto, $122,748; supply storage building Toronto, $115,000; church, Carleton Place, $94,192; woodworking factory, Thornhill, $91,179; belt factory, Toronto, $74,000; apartment house, London, $65,056; church, Orono, $64,489; dress factory, Toronto, $60,995; general store, Providence Bay, $58,531; general store, Langton, $54,900; government garage, $53,500.

In 12 legal actions for fire crimes during the quarter there were eight convictions, two acquittals with two still pending.

Classification of properties burned and causes of fires during the quarter follow.

CLASSIFICATION OF PROPERTY
January, February and March, 1950

	No. of fires	Total loss	Insurance loss
Dwellings:			
Brick, etc., prot.	1,204	$446,121	$378,549
Frame, etc., prot.	1,269	630,427	479,532
Brick & frame unprot.	125	157,904	108,671
Farm risks	235	761,407	518,478
Churches	18	209,250	105,855
Hospitals, sanitaria & asylums	9	1,822	1,822
Public halls	3	18,900	15,900
Schools	12	55,577	26,512
Instit'l Bldgs.	8	980	980
Warehouses	17	192,082	189,082
Retail stores & office bldgs. (bldgs. only)	176	478,915	409,741
Hotels (bldgs. only)	12	33,220	33,220
Retail stores & office bldgs. (contents only)	96	706,534	554,131
Hotels (contents only)	18	111,176	10,176
Food & food product plants, breweries, distill., etc	10	10,211	10,211
Flour, cereal mills & grain elev.	2	9,015	9,015
Service sta. & oil risks (not garages)	19	99,109	70,121
Saw & shingle mills	6	6,165	5,579
Lumber yards, pulpw'd, standing timber	1	1,500	1,500
Woodworks (excluding saw mills)	10	142,496	75,352
Metal works, garages, foundries	55	220,091	154,783
Mining risks	3	530	530
Rly., trac. properties, public utilities	8	7,001	7,001
Misc. mfg.	22	459,510	447,132
Misc. nonmfg.	74	163,582	133,688
Sprinklered risks	48	51,724	49,724
	3,460	$4,875,249	$3,797,285

CLASSIFICATION OF CAUSES

	No. of fires	Total loss	Insurance loss
Chimneys & flues	161	$131,251	$88,656
Stoves & furnaces	472	783,961	567,034
Hot ashes, coals & open fires	120	64,716	56,741
Sparks on roofs —wooden shingles	58	28,755	21,532
—fabric, roofs	1	87	87
Exposure fires	8	5,043	3,943
Smoking	1,120	245,765	237,413
Matches	148	24,896	20,750
Lights (other than electric)	116	63,774	61,692
Electricity	404	424,835	334,851
Lightning — unrodded bldgs.	3	42	42
Spon. combust'n —in barns	..	......	......
—all others	32	51,438	48,745
Petroleum and its products	162	296,208	217,769
Incendiarism	10	4,752	3,402
Miscellaneous	181	432,562	369,914
Unknown	464	2,317,164	1,764,714
	3,460	$4,875,249	$3,797,285

Rogers Majestic Breaks Up Into Three Companies

Effective May 1, three new companies have been established handling all the activities formerly handled by Rogers Majestic Ltd. and Rogers Electronic Tubes Ltd.

"The vigorous growth of our manufacturing, consumers goods and communications divisions has reached a point where, in the interests of efficient operation, it is now desirable to make each one autonomous," Rogers Majestic President R. M. Brophy states. The manufacturing division has become Canadian Radio Manufacturing Corp.; the consumers' goods division has become Rogers Majestic Radio Corp., and the communications division is now Rogers Majestic Electronics Ltd.

"There is no change in our policies; these new companies are for improved administration, more efficient operation and better service to customers," Mr. Brophy said.

The new organization is as follows:

Canadian Radio Manufacturing Corp. produces domestic radio and television receivers; auto radio; radio receiving and other electronic tubes; domestic appliances; radio communications equipment including FM 2-way radiotelephone equipment; radio components, metal stampings, etc. Current expansion of its electronic tube facilities will shortly result in production of cathode-ray tubes (picture tubes for television) and make it one of the two concerns in Canada manufacturing these tubes.

Rogers Majestic Radio Corp. merchandises Rogers Majestic radio and television receivers; auto radio; large and small domestic appliances.

Rogers Majestic Electronics will specialize in FM 2-way radiotelephone equipment for police and fire departments, public utilities, etc.; also electronic tubes for transmitting and industrial purposes and for radio and television receiving sets of all types.

CanadaMaltingCo. Shipments Hold Up

Malt shipments of Canada Malting Co. for the first quarter of the current year are equal to those for the same period of 1949, Eric S. Clarke, president and managing director, told shareholders at the annual meeting. Inventories at end of December were higher than in previous year and consequently barley purchases during the past three months were not as great, which resulted in a material reduction in bank advances, he said.

Malting barley prices in Canada are approximately 29c per bushel higher than on Dec. 31, 1949, and this has made it impossible to maintain competitive offers in foreign markets.

Both Canadian and United States reports indicate increased acreage will be sown to barley this year and it is hoped that new crop Canadian prices will be more in line with other countries. Otherwise, Mr. Clarke stated, it will be difficult for the company to continue full employment since the estimated total malt productive capacity in Canada is some five million bushels over Canadian consumption.

Shoe, Leather Prices To Hold

World-wide conditions in the hide and leather industries make impossible any immediate reductions in the price of shoes and may even result in slightly higher prices for footwear next fall, a recent meeting of the Canadian Shoe Council reports.

A rising standard of living all over the world and an increasing demand for hides and skins has produced a very tight situation in the supply and unless there is increased hide and skin production in many countries this shortage will be reflected at the retail level, it is stated. Approximately 50,000 cattle are going out of Canada every month on the hoof, attracted by higher prices in the U. S. This reduces the Canadian supply of quality hides. In addition the population and kill of sheep in the U. S. is coming down. There is no accumulation of stock in South American warehouses.

Added to this are the increased cost of tanning materials, practically all of which have to be imported, mainly from the U. S. Devaluation jumps the cost 10% on U. S. products. Buying their hides in world markets and processing at higher prices, the tanning industry must inevitably increase its leather prices sometime in the near future, it is said.

RHYS M. SALE

president of Ford Motor Co. of Canada, has been elected a director, Canadian Bank of Commerce.

Twin City Rapid Earnings Lower In First Quarter

Revenue of Twin City Rapid Transit Co., for the first three months of 1950 has been on a steady decline in spite of the higher fare that was granted in October, 1949. To meet declining revenue the company attempted to reduce service by closing down some of the temporary losing lines. Every step taken in this direction, however, was opposed by both St. Paul and Minneapolis, and suburbs. The company has had to resort to costly action in the courts.

Only course left for company when cities objected to curtailment of service was an increased fare. Accordingly, the company applied for a 17c fare. Hearings have been concluded on this application. Unless adequate rate is granted, a recommendation will be made for liquidation of company, or its sale to the cities, President Charles Green states.

Operations for the first quarter resulted in a net loss of $197,221 as compared with a loss of $81,215 for same quarter last year. Total revenues declined to $4,743,246 from $5,038,790.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

R. M. BALLANTYNE CO. reports a 1949 net profit of $34,290, compared with $61,628 in 1948. Production was 23% higher.

Entry into production of cotton knitted goods showed only limited success and this, coupled with British competition aided by devaluation, led directors to decide that any more effort made in cotton merchandise production was not justified.

Due to rumors of importation of cheap Japanese gloves in the early part of the year, early placing of orders was not done and volume in this department was therefore lower. When, in July, August and September, large quantities of Japanese gloves were imported, one of the company's main sources of profit was seriously affected.

To offset British and Japanese competition and former income from cotton goods and gloves, considerable experimentation was done with nylon yarn. President V. P. Cronyn declares that the company is now amongst the leaders in production of nylon knitted outerwear in Canada, but states that effect of this new product on profits cannot yet be estimated.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$53,631	$98,039
Less: Tax res.	19,340	36,411
Net profit	34,290	61,628
Less: Pref. divds.	13,750	13,750
Surplus for year	20,540	47,878
Earnings per Share and Dividend Record:		
Preferred	$6.23	$11.21
Paid	2.50	2.50
Common	0.41	0.96
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$100	$190
Accts. rec.	149,969	171,263
Inventories	353,099	176,626
Total curr. assets	503,168	348,079
Prepaid exp.§	1,668	1,598
Misc. assets	31,438	31,438
Fixed assets*	189,750	162,684
Total assets	726,024	543,799
Bank loans, etc.	278,363	78,536
Accts., etc., pay.	84,759	100,167
Taxes pay.	7,341	30,437
Total curr. liabs.	370,463	209,140
Capital stock	282,508	282,508
Earned surplus	73,053	52,151
*After depr. of	32,819	9,463
§Included in curr. assets in co's report.		
Working capital	132,705	138,939

INTER CITY BAKING CO. consolidated net profit for the year ended Jan. 31, 1950 amounted to $214,346, down 16.7% from the previous year.

President C. H. G. Short states that on June 1, 1949 S.L.P. were received from the Secretary of State for Canada approving a bylaw dividing each $100 par share of capital stock into five no par value shares.

Net capital expenditures, chiefly for trucks, amounted to $122,287.

CONS. INCOME ACCOUNT

Years Ended Jan. 31:	1950	1949
Net earnings	$536,730	$577,114
Less: Deprec.	165,724	141,761
Bond int.	......	12,670
Income tax	156,660	171,000
Add: Asset sale	......	5,488
Net profit	214,346	257,171
Less: Dividends	84,580	84,580
Surplus for year	129,766	172,591
Earnings per Share† and Dividend Record:		
Common	$2.03	$2.43
Paid (new)	0.40+0.10	....
Paid (old)	1.50	3.00+1.00

†After giving effect to 5-for-1 stock split, June 1, 1949.

CONDENSED CONS. BALANCE SHEET

As at Jan. 31:	1950	1949
Cash	$266,249	$392,964
Accts. rec.	166,104	130,530
Investments†	299,571	271
Inventories	209,337	198,440
Total curr. assets	941,261	722,205
Misc. assets§	102,265	164,784
Goodwill	1,072,824	1,072,824
Fixed assets*	1,569,093	1,621,013
Total assets	3,685,443	3,580,826
Total curr. liab.	334,766	359,915
Capital stock	2,114,500	2,114,500
Surplus	1,236,177	1,106,411
*After depr. of	1,591,176	1,523,555
†Market value	299,420	403
§Incl. ref. EPT	83,871	146,840
Working capital	606,495	362,290

1949 Highlights of the
75th Annual Statement

The year 1949 was a milestone in the history of the I.O.F.—Canada's leading international fraternal insurance society. During it we celebrated our third quarter century of service to our members. 75 years of growth, 75 years in which the I.O.F. has played an important role in protecting the families of its members from financial want—in making their future more secure.

Gratified as we are with the splendid growth during 1949 we look forward to even greater advancement during the coming year.

Paid to members and beneficiaries since organization	$175,691,226
Paid to members and beneficiaries during the year	$ 3,470,218
Assets as of December 31, 1949	$ 48,331,574
Insurance reserves	$ 39,529,276
Surplus and other reserves	$ 7,123,919
Paid during the year in fraternal benefits	$ 78,018
Insurance in force	$133,020,418

Over 20% net increase in membership in last five years.

THE INDEPENDENT ORDER OF FORESTERS
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Insurance Plus Fraternity

INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT reported the net income of $9,856,856 for the nine months ended March 31, 1950, ($7,383,006 for comparable nine months of previous fiscal year).

Gross income, exclusive of $4,157,591 ($3,701,468) set aside in the special reserve, amounted to $18,798,663 ($15,611,704) for the nine-month period. Expenses totaled $8,941,807 ($8,228,698).

The bank had an accumulated excess of income over expenses of $23,497,950 at March 31, 1950. The special reserve amounted to $12,231,732.

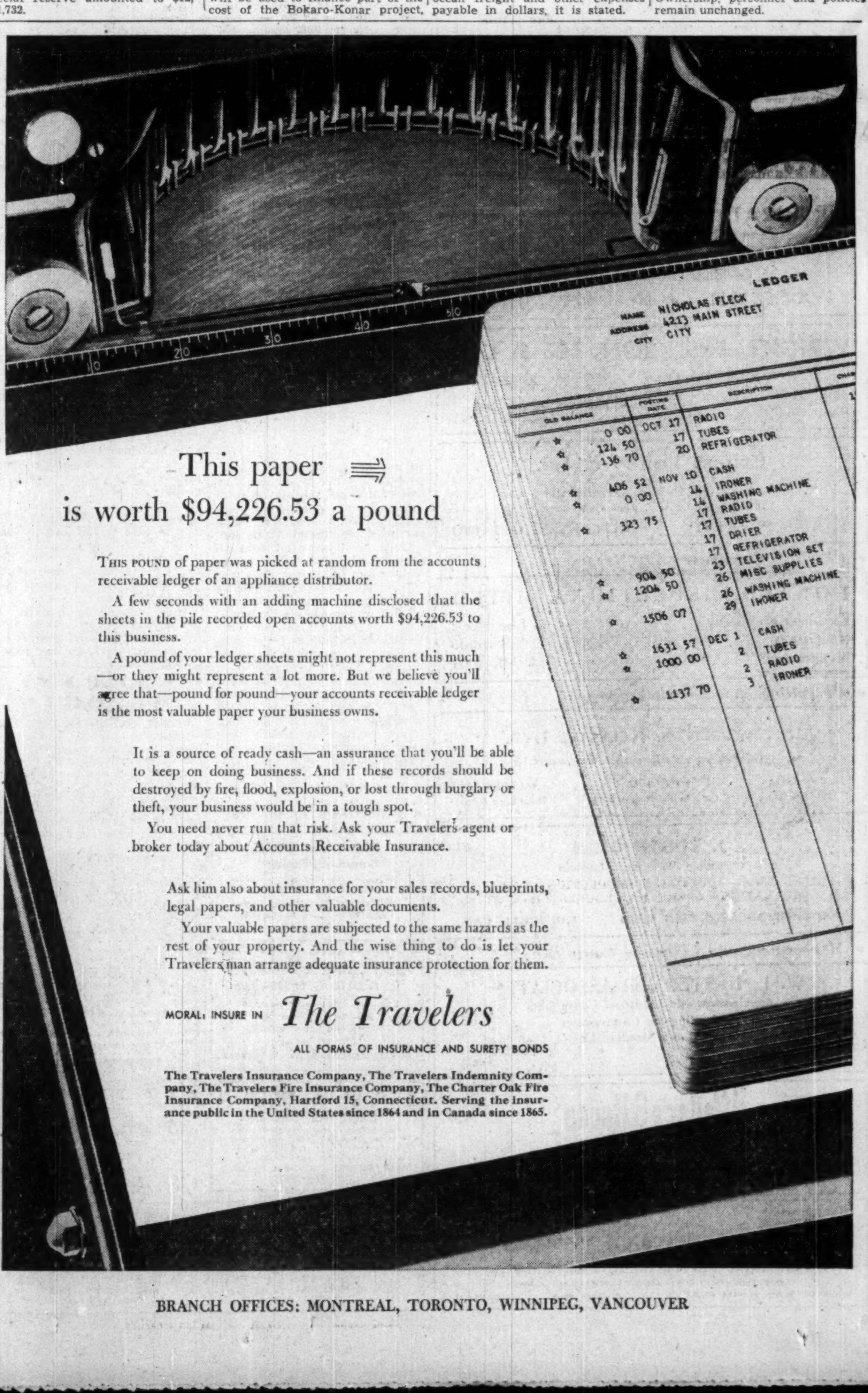
Total loan commitments made by the bank as of March 31 amounted to $744,145,000. Because of cancellations, however, the actual amount of commitments had been reduced to $737,706,983. Disbursements on loans during the quarter ended March 31, amounted to $27,973,536 bringing the total as of that date to $594,986,266. This left $130,175,717 to be disbursed.

In April the bank granted a loan of $18,500,000 to India for the further development of the Damodar River Valley, the country's most important industrial area. The loan will be used to finance part of the cost of the Bokaro-Konar project, which will include the largest steam electric plant in India.

The total capital cost of the Bokaro-Konar project is the equivalent of about $53 millions of which the Bank's loan will cover $18,500,000. Specifically this loan will finance dollar payments from Jan. 1, 1950, in the United States and Canada for powerhouse equipment for the Bokaro thermal (steam) plant; construction equipment for the Konar dam; conductors and accessories for the transmission lines; equipment for the substations and ocean freight and other expenses payable in dollars, it is stated.

Met. Stampings Changes To Supreme Aluminum

Effective May 1, 1950, name of Metal Stampings Ltd. has been changed to Supreme Aluminum Industries. In making the announcement, President H. V. Lush said, "Over the past 30 years, the trade has come to know us best by our trade name, Supreme. At the same time, our company's operations have increased and will continue to expand to an extent that demands a more descriptive name." Ownership, personnel and policies remain unchanged.



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A few seconds with an adding machine disclosed that the sheets in the pile recorded open accounts worth $94,226.53 to this business.

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It is a source of ready cash—an assurance that you'll be able to keep on doing business. And if these records should be destroyed by fire, flood, explosion, or lost through burglary or theft, your business would be in a tough spot.

You need never run that risk. Ask your Travelers agent or broker today about Accounts Receivable Insurance.

Ask him also about insurance for your sales records, blueprints, legal papers, and other valuable documents.

Your valuable papers are subjected to the same hazards as the rest of your property. And the wise thing to do is let your Travelers man arrange adequate insurance protection for them.

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President.

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MINING INVESTMENTS

Improved Techniques Now Boosting Mine Efficiency

A recent survey of Northern Canada mining industry indicates that labor is generally in adequate supply and that improved results may be anticipated from "technical and mechanical progress" along three lines:

1. Greater efficiency in ore hoisting and transportation facilities.
2. More complete general mechanization, with wider use of direct electrical energy.
3. Higher standards of drilling and blasting methods.

The last-mentioned apparently offers the most immediate opportunities for betterment. Advent of the tungsten carbide bit and its successful adaptation to Canadian mining has already meant lower costs and a very substantial economy in the use of manpower. Further progress is anticipated on the same line.

* * *

Labrador and Seaway

Labrador-Quebec iron ores have been up for discussion in Washington recently as a growing list of supporters have come forward in favor of early completion of the St. Lawrence seaway. But there has been a feeling, however, that the seaway probably won't get the green light this year as it is a contentious issue and there are 1950 elections in the U. S. However, the U. S. Army has come out in favor of its completion.

George M. Humphrey, president of M. A. Hanna Co., testifying before the House of Representatives public works committee, declared that presently planned production of ore along the Labrador-Northern Quebec border is 10 million tons annually—a tonnage which could be doubled or tripled in an emergency. Available reserves were placed at 350 million tons.

According to Mr. Humphrey, Labrador-Quebec ore could be moved to Great Lakes steel centres on vessels of the existing lakes fleet if the seaway were a reality. Without the seaway, most of the ore would have to move by sea more than 1,350 miles through the Gulf of St. Lawrence and the Atlantic Ocean to East Coast ports.

* * *

Kirkland Lake "Aids"

It will not be a bit surprising if a series of 20 maps and a new report on the Kirkland Lake area issued by the Ontario Department of Mines occasion a burst of exploration activity in this camp.

Individual maps of various mine horizons give a great deal of information on dips and strikes of various ore structures, will undoubtedly come in for a great deal of study.

Obviously there are a number of areas outside of the main producing belt that are indicated as very favorable ground for deposition of gold ore bodies. These are indicated by the presence of large areas of porphyry, the rock formation which appears to have such a significant relationship to deposition of gold throughout the world.

Amalgamated Kirkland, Casakirk, Goldbanks, Vindicator, Federal Kirkland, St. Joseph Kirkland, Black Gold, Kirkland Golden Gate, and others have an interest in the porphyry formation. Many of these properties have not yet been adequately explored.

* * *

On Price of Nickel

At the annual meeting of shareholders of International Nickel Co. of Canada, a shareholder wanted an increase in the price of nickel. The price of nickel has been raised somewhat since the end of the war but the raise has been minor as compared with increases in price for copper, lead and zinc.

Inco has always stressed the stability of the price of nickel as a selling point to its customers. But beyond that there has been a very good reason for not increasing the price of nickel higher, it appears. Competitors to nickel in alloying are vanadium and molybdenum. Prices of these metals haven't been increased very much and Inco has apparently not increased the price of nickel it sells to any great extent through fear of pricing itself out of the market. Although Inco produces the major part of the world's nickel, the company lives in a very competitive world.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

LAMAQUE GOLD MINES reports a consolidated 1949 net profit of $1,110,299, 37c a share, compared with 25c a share in 1948. Tonnage of ore treated was 504,350, with average daily tonnage 1,382, against 959 in 1948.

Deep level development was advanced to a limited extent on the 2,900-ft. and 3,000-ft. levels, states D. L. H. Forbes, president, and results indicate the presence of "important ore bodies requiring the provision of a four-compartment vertical winze sunk from the 2,400-ft. level."

Development of Beacon Mining Co.'s No. 4 ore zone was started shortly before the year end. Sinking of the Beacon No. 2 shaft to 400 ft. and lateral development on levels from this shaft is planned to proceed until a fair estimate of ore tonnage in this part of the Beacon property can be obtained.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion production	$3,736,903	$2,523,313
Add: Invest. inc.	39,397	19,746
Less: Oper. exp.	2,562,304	1,629,728
Net oper. profit	1,213,996	913,331
Add: Cost-Aid	250,085	55,652
Less: Deprec.	81,007	52,339
Dom. inc. tax	272,775	172,761
Net profit	1,110,299	743,883
Less: Dividends	1,080,000	840,000
Surplus for year	30,299	•96,117
•Deficit.		
Earnings per Share	$0.37	$0.248
Paid	0.36	0.28

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$1,003,196	$1,035,453
Govt. bonds	801,890	1,702,189
Accts. rec.	16,058	6,166
Cost-Aid rec.	75,362	......
Marketable secs.*	509,905	......
Inventories	216,923	171,017
Total curr. assets	2,623,334	2,914,825
Prep. & def. chgs.	52,184	27,516
Hotel ints.	92,561	92,561
Inv., adv., assoc. cos.	330,010	......
Props. at cost	203,395	203,395
Plant & equip.▲	554,331	494,799
Total assets	3,855,815	3,733,096
Accts. & tax. pay.	406,416	307,240
Dividends payable	363,072	369,828
Total curr. liab.	769,488	677,068
Capital stock	750,004	750,004
Surplus	2,336,323	2,306,024
▲After depr. of	2,250,953	2,169,948
*Mkt. value	555,750	......
Working capital	1,853,846	2,237,757

OPERATING STATISTICS

	1949	1948
Tons milled	504,350	351,110
Average recov.	$7.41	$7.19
Ore reserves, tons	2,542,364	2,440,712
Grade ($35 gold)	$7.54	$7.70

SUPERTEST PETROLEUM CORP. shows a record net profit of $1,002,537 for 1949, up 4.2% from 1948. Sales also hit a new high.

A large number of new accounts were opened in Ontario and Quebec. Other capital expenditures, states J. G. Thompson, were concentrated principally on expanding and modernizing bulk storage plants to facilitate handling the continually increasing demand. Building of new service stations was kept to a minimum, in view of the other development program, but the fleet of trucks was enlarged to keep pace with increased volume.

The president states that although working capital is higher, this reflects the deferred modernization of existing properties and building of new service stations. A heavy program of this nature lies ahead.

Outlook for 1950 is "encouraging."

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings*	$1,702,537	$1,596,890
Less: Income tax	700,000	635,000
Net profit	1,002,537	961,890
Less: Divids.	286,724	231,732
Surplus for year	715,813	730,158
*After depreciation.		
Earnings per Share and Dividend Record:		
Cl. B pf.: Earned	$127.86	$122.67
Paid	1.50	1.50
Com. & ord.: Earned	9.01	8.64
Paid or pay.	2.50	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,356,228	$903,889
Accts. rec.	1,990,044	1,694,489
Life ins., c.s.v.	39,474	38,448
Merchandise	898,931	892,005
Total curr. assets	4,284,677	3,528,831
Supp. & prep. exp.‡	49,451	49,959
Investments†	2,359,095	2,232,570
Fixed assets	8,518,980	7,855,222
Total assets	15,212,203	13,666,582
Accts., etc., pay.	2,480,767	2,035,540
Accr. chgs. & tax.	624,946	680,753
Total curr. liab.	3,105,713	2,716,293
Depr. reserve	4,328,223	3,882,502
Misc. res.	784,150	789,483
Capital stock	1,099,840	1,099,840
Surplus	5,894,277	5,178,464
†Incl. invest. in subsids.		
‡Incl. in curr. assets in co's report.		
Working capital	1,178,964	812,538

BRYAN VAUGHAN

has been elected president, Public Relations Association of Ontario.

OIL PRODUCTION

Redwater Remains Ahead In New Alberta Oil Wells

From Our Own Correspondent

CALGARY — Alberta well completions in April totaled 63, down from March's 77, and included 46 oil producers, three gas wells, and 14 wells which found neither oil nor gas production.

Leading the parade again was Redwater, which chalked up 32 successes and two failures. Leduc-Woodbend was next with 10 oil wells, one failure; Campbell brought in two oil producers; Stettler and Excelsior one oil well each; Bow Island one gas well; and Lloydminster one failure.

These completions hiked the total since the first of the year to 227 wells, including 155 crude producers, seven gas wells and 65 abandoned dry holes.

In the first four months of the year, the high-flying Redwater field has completed 103 wells — 100 of them oil wells. Its closest competitor, Leduc-Woodbend, is far behind with 39 oil wells and five dry holes. Excelsior registered six oil wells and three dry holes; Stettler five oil wells; Golden Spike one oil well and two dry holes; Campbell two oil wells; Turner Valley one oil well and a dry hole; Bow Island one gas well; Gilbert one oil well; Lloydminster one dry hole; and 56 Wildcat completions, of which six are natural gas discovery wells.

* * *

Drills In Manitoba

Drilling by Red River Oil Ltd. to test six potential oil areas indicated by petrometer survey on 125,000 acres of leases held within a 50-mile radius of Winnipeg, Manitoba, will start May 8, reports S. Hart Green, president.

The acreage will be developed on a partnership basis, under an arrangement with D. P. Hamilton of Shreveport, Louisiana. The company has an authorized and issued capital of 3.7 million shares and, with finances provided by U. S. interests, no public offering of its securities will be made.

* * *

Shell Spends $18½ Millions

Shell Oil Co. has announced it will spend a whopping $18.5 millions on research in 1950. The fields to receive major attention, declares W. M. V. Ash, president of Shell Oil Co. of Canada, are the development of new chemicals from petroleum and development of agricultural products to enable farmers to grow more food at less cost.

Biggest slice of the budget will go to four main U. S. research centres. The largest of these, located in Emeryville, California, and operated by the Company's research affiliate Shell Development Co., will spend most of its quota for expansion of research in petroleum science.

Agricultural research is centred at Shell's 142-acre test farm and laboratory at Modesto, Cal., while at Houston, Texas, an exploration and production laboratory is devoted to development of new and better ways of finding oil and getting it out of the ground. The application of various petroleum products receives special attention at Shell's Wood River, Illinois, research centre, where laboratories are investigating and improving such products as automotive and aviation fuels and lubricants, jet fuels, asphalt and hydraulic fluids.

* * *

New Campbell Success

The Redwater Leaseholds group has registered its fourth oil well success. The latest, Redwater Leaseholds-Campbell No. 4, is in the Campbell area, about 12 miles northwest of Edmonton. In a 20-minute drill stem test of the lower Cretaceous interval 3,760 to 3,769 ft., a gas flow rate of 400,000 cu. ft. daily, a flow of oil to the surface in 14 minutes and a pipe recovery of 800 ft. of gassified oil, were received.

SISCOE GOLD MINES has picked up downward extension of one of the "Pulaski" veins on the 525-ft. level. Vein exposed is over 4 in. wide and assays 4,000-6,000 oz. of silver per ton. Upward extension is expected above the 350-ft. level and the company expects this vein to make a sizeable addition to current estimated production. In the eastern zone, another ore shoot over 150 ft. long has been developed on the 790-ft. level, and in the "D" zone, downward extension of the 208 vein on the 1,150-ft. level has been located and drifted on for two rounds, showing as good results as on the 1,075-ft. level, where the length so far developed is over 175 ft., averaging over 50 oz. per ton. Preliminary work to raise the No. 6 winze from 900-ft. to 850-ft. level has been completed.

Savings At New High Business Loans Rise

Two main features of the regular return of the chartered banks to the Finance Minister as at March 31 are further increases in loans to business and in savings deposits.

Savings deposits reached a new high level at $4,572 millions, up $35.7 millions from the previous high established in February. Bankers saw no particularly new factors in the situation as regards savings deposits, the gain being but a continuation of the trend in evidence now for some years. Demand deposits also increased $7.9 millions to $2,399 millions, still well below the record high level of $2,543 millions established Dec. 31, 1948.

Total "public" deposits in Canada on March 31 at $6,971 millions were almost equal to the previous high level set on Oct. 31, 1949, at $6,972 millions.

The rise in demand deposits for the month to some extent reflected the higher volume of borrowing.

Current loans were almost $36 millions higher, reflecting heavier demand from merchants, manufacturers, contractors, etc., in anticipation of the spring trade. Farmers, too, were probably doing some borrowing for the same purposes—purchase of seed implements, etc. The rise this year contrasts with a decline of $6 millions in March, 1949.

Call loans in Canada showed a small decline. Provincial borrowing was lower while municipal loans were higher. Foreign business of the banks showed declines in current loans and deposits with call loans slightly higher.

Note circulation of the banks increased $50,000 to $479,000 probably due to crop demands for currency in the British West Indies, etc.

Important items in the monthly statement with comparisons follows.

Use of Bank Credit in Canada
(In Millions of Dollars)

	Mar. 1950	Feb. 1950	Change	Mar. 1949	Change
Loans	2,427.1	2,382.9	+442	2,210.2	+2,169
Investments	4,453.2	4,390.8	+624	4,285.0	+1,682
Total	6,880.3	6,773.7	+1,066	6,495.2	+3,851
Deposits	6,971.6	6,927.9	+437	6,545.3	+4,263
Credit index*	34.8%	34.5%	+3	33.8%	+10

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS
Immediately Available Liquid Assets
(In Thousands of Dollars)

	Mar. 1950	Feb. 1950	Change	Mar. 1949	Change
Canadian coin	13,511	14,177	—666	11,925	+1,586
Bank of Canada notes	150,477	179,519	—29,042	165,861	—15,384
Bank of Canada deposits	567,299	554,837	+12,462	540,227	+27,072
Bank's cash	731,287	748,533	—17,246	718,013	—13,274
Gold sub. coin adb.	2,138	2,429	—291	2,813	—675
Foreign currency	105,281	103,649	+1,632	81,032	+24,249
Foreign banks	187,969	196,593	—8,624	182,397	+5,572
Call loans abroad	76,147	74,564	+1,583	79,460	—3,313
Government securities:					
Dom. short term	885,443	934,349	—48,906	804,815	+80,928
Prov. short term	109,761	114,439	—4,678	79,196	+30,565
Dom. long term	2,354,081	2,230,626	+123,455	2,286,330	+67,751
Prov. long term	306,530	309,319	—3,089	329,506	—22,976
	4,758,637	4,714,801	+43,836	4,563,564	+195,073
Loans and Securities Other Than Those of Canadian Governments					
Municipal secs.	165,477	164,178	+1,299	140,956	+24,521
Public secs.♦	228,719	252,348	+23,629	222,836	+5,883
Other secs.	403,267	385,272	+17,995	421,394	—18,127
Can. call loans	83,047	83,591	—544	81,289	+1,758
Current loans	2,218,109	2,182,217	+35,872	2,026,255	+191,854
Loans abroad	209,364	214,702	—5,338	238,943	—29,579
Prov. loans	25,799	26,969	—1,170	23,603	+2,196
Mun. loans	100,192	90,202	+9,990	79,119	+21,073
	3,433,974	3,399,479	+34,495	3,234,395	+199,579
Other Assets					
Noncurrent loans	1,249	1,198	+51	1,409	—160
Real estate	428	428	......	526	—98
Mortgages	678	685	—7	881	—203
Premises	88,883	87,622	+1,261	81,316	+7,567
Letters of credit	169,899	163,665	+6,234	187,095	—17,196
Loans to comp.	18,047	17,478	+569	12,854	+5,193
Other assets	4,478	4,678	—200	7,547	—3,069
	283,662	275,754	+7,908	291,628	—7,966
Total	8,476,273	8,390,034	+86,239	8,089,587	+386,686
Notes in circ. dep.	......	......	......	933	......
Int. bank bal.	362,323	326,987	+35,336	335,803	+26,520
Gross	8,838,596	8,717,021	+121,575	8,426,323	+412,273
LIABILITIES					
To The Public					
Circulation	479	420	+50	15,128	—14,649
Dom. Govt.	196,572	144,132	+52,440	210,337	—13,765
Prov. Govt.	232,122	205,273	+26,849	171,479	+60,643
Deposits by Public					
Demand dep.	2,399,084	2,391,138	+7,946	2,281,202	+117,882
Savings dep.	4,572,507	4,536,758	+35,749	4,264,111	+308,396
Total	6,971,591	6,927,896	+43,695	6,543,313	+428,278
Foreign Deposits					
Dep. elsewhere	645,701	651,768	—6,067	715,357	—69,656
For. curr in Canada	73,120	76,320	—3,200	71,397	+1,723
Total	718,821	728,088	—9,267	786,754	—67,933
Due to Banks Abroad					
United Kingdom	41,482	37,129	+4,353	37,882	+3,600
Foreign	77,036	85,059	—8,023	88,319	—11,283
Letters of credit	169,899	163,665	+6,224	187,095	—17,196
Other liab.	5,996	6,035	—39	7,134	—1,138
Total public liab.	8,413,998	8,297,697	+116,301	8,049,441	364,557
Due other banks	69,632	63,604	+6,028	29,450	+40,182
Liability to Shareholders					
Dividends	1,629	2,384	—755	1,584	+45
Reserve	190,500	190,500	......	185,570	+4,750
Capital stock	145,500	145,500	......	145,500	......
Gross	8,821,259	8,699,685	+121,574	8,411,725	+409,534

♦Other than Canadian.

BANK OF CANADA

	Apr. 26 1950 $	Apr. 19 1950 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,267,938,055	1,273,284,998
Deposits:		
Govt. of Can.	32,309,021	49,096,134
Chart. banks	566,227,508	559,869,441
Other	187,186,967	180,929,807
Total deposits	785,723,506	789,895,382
Liabs. payable in sterling, U.S.A. & foreign gold currencies:		
(a) to gov. of Can.	93,556,953	99,864,053
(b) to other	26,766	26,766
Total	93,583,719	99,890,819
All other liabs.	13,078,616	11,754,028
Total liabs.	2,175,374,263	2,189,875,594
Assets		
Foreign Exchange:		
Sterling & U. S.	88,083,720	94,390,819
Other curr.	153,899	94,937
Total	88,237,619	94,485,756
Subsid. coin.	385,431	363,295
Investments:		
Gov. sh. term	1,663,601,232	1,669,489,365
Oth. gov. sec.	370,477,899	369,476,552
Other sec.	5,500,000	5,500,000
Total invest.	2,039,579,131	2,044,465,917
Total share cap. at cost	25,000,000	25,000,000
Premises	4,251,131	4,102,517
All other assets•	17,920,951	21,458,109
Total assets	2,175,374,263	2,189,875,594

LAKE ROWAN (1945) MINES has received payment for April 30 underwriting of 100,000 shares at 10c a share under agreement with Brewis & White Ltd. Issued capital is 2,949,575 shares, leaving 550,425 in treasury.

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SHAW SCHOOLS

Lucky at the Races? Not Taxable Gain Says Appeal Board

From Our Own Correspondent

EDMONTON—If you have a "system" for betting on the ponies or are just plain lucky in gambling at the race tracks, you don't need to include your winnings in your income tax return, according to a judgment at Edmonton.

Tax exemption on $17,863 he won at the races in 1946 was gained by William S. Walker, Edmonton district man, in an appeal here to a two-member income tax appeal board.

In the judgment handed down, it was stated, "There is no doubt that the appellant is exceptionally lucky at the races and we have no doubt that the winnings were in excess of $17,000."

Counsel for the department of revenue had claimed that because Walker had a business agreement concerning the care of a few race horses, for which he received a percentage of their winnings, he was in the race-horse business and should be taxed on his track winnings.

The appeal board judgment stated its members did not consider Walker's wagering constitutes a business.

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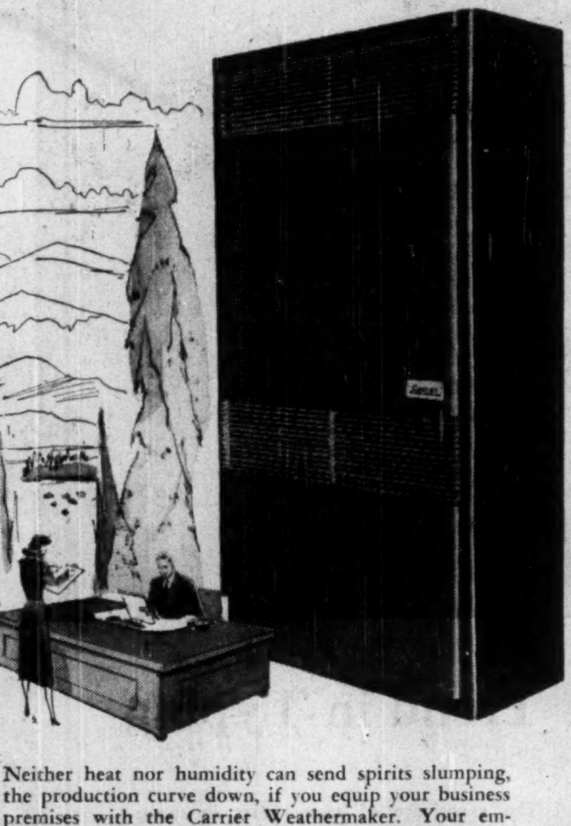

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What's Behind Growth of Welfarism?

Former German Official Traces Effect of Compulsory Plan

What is the "inevitable end" of establishment and extension of the Welfare State? How does the use of these services augment and strengthen controls by politicians and bureaucrats? These questions are discussed in this digest of the book "Compulsory Medical Care and The Welfare State," by Melchior Palyi distinguished European economist now a consultant in the United States.

Dr. Melchior Palyi taught in the Universities of Kiel, Goettingen and Berlin. In 1928, he was appointed Chief Economist to the Deutsch Bank in Berlin, and from 1931 to 1933 was Scientific Advisor to the Reichsbank of Germany. Quitting Germany with the rise of Hitler, he has taught in U. S. universities, and is widely known as lecturer, writer and consulting economist.

By MELCHIOR PALYI

My work at the very centre of German and international banking put me at a vantage point from which to observe closely the world-wide growth of Welfarism. It was intimately tied up with the political scene of the 1920's, with its global money management and fictitious pacificism. It was supported by monopolistic wage structures, governmentally promoted international cartels, inflated gold exchange standards, by a centrally manipulated capital flow on the one end and by reckless spending on the other. It had to break down sooner or later.

In many ways Hitler's rise was startlingly revealing. That one third of the otherwise sober German people voted Nazi, and over 10% Communist, was bad enough. But what about the rest, the three or four bourgeois parties and the Social Democrats? Why didn't they resist instead of letting the power slip without a single shot into the hands of notorious gangsters? The Social Democrats and the trade unions behind them constituted the world's oldest, largest, best-organized and most intelligent labor movement. Why did they surrender shamefully and let themselves be disarmed?

The Weimar Republic catered to the trade unions and raised the wage level artificially, at the same time bestowing subsidies and high tariff protection on the heavy industries and the big land owners, the Prussian junkers. Once a nation is entangled in the meshes of the Welfare State, the demagogue who can draw out of his hat more welfare for more people has every chance in a crisis.

Why Dictators Used It

The Bismarckian paternalism could be turned into Ludendorff's planned economy by a mere switch of the bureaucratic gear, which then could be shifted without grinding into the Welfare State of the Weimar Republic. . . .

Just why were such ruthless men as Bismarck and Hitler so profoundly interested in the physical well-being of their subjects—and in high birth rates!—while totally indifferent, nay, inimical to their mental integrity?

Evidently more than humanitarianism was at stake. Watching the world-wide growth of compulsory health insurance, I noticed something that seemed to be overlooked: that all modern dictators—communist, fascist, or disguised—have at least one thing in common. They all believe in Social Security, especially in coercing people into governmentalized medicine. . . .

As a committee report on health insurance of the Canadian House of Commons puts it (March 16, 1943): "During the early years of Hitler's regime, the Government's medical program was looked upon by many observers as one of the greatest props of the totalitarian state."

The ill-famed Dr. Ley, boss of the Nazi labor front, did not fail to see that the social insurance system could be used for Nazi politics as a means of popular demagoguery; as a bastion of bureaucratic power; as an instrument of regimentation, and as a reservoir from which to draw jobs for political favorites and loanable funds for rearmament.

The original schemes of compulsory medicine have been imposed on the respective countries without the consent and often against the very vocal resistance of those who were supposed to benefit. That was the case in Germany and also in France. . . .

Why Costs Increase

What has provided, and provides, a pretext for using the sickness schemes as playgrounds of very expansive (and equally expensive) patronage is the unrelenting advance of medical research in the last 50 years. Indeed, the prophylactic, diagnostic and curative practices all are in a continuous self-revolutionizing evolution. Once the principle is accepted that the compulsory scheme should provide proper care — what else but the best and latest, and therefore the most costly, should be provided?

So long as a genuine voluntary insurance is in operation, the cost of which is borne by members, these members have an incentive to keep their demands within bounds. But in compulsory schemes the individual knows of little or no responsibility for the functioning of the whole.

On top of that, politicians and/or bureaucrats have every interest in advertising the schemes by procuring the most spectacular and the most modern services. The doctors, too, have such an interest, especially the young ones who want to make a reputation and to amortize as fast as possible their investment in education, in technical equipment, automobile, etc.

The medical expert tends to be —nay, has to be—"one-sided." He must devote his time, his energy and even his emotions. He is inclined to look at the world from the point of view of his intellectual and professional goal.

The doctor's ideal is to detect every sickness at the onset, and to "cure" it in the most thoroughgoing fashion. Sickness in his enemy; to fight it he would mobilize all resources and utilize the best devices. His pecuniary interest drives him in the same direction. This natural and logical expansiveness of the profession tends to grow into imperialistic delusions when the technical tool falls into hands that wield Power. The medical dream becomes the object of exploitation by the ambitious politician. The outcome is something which the taxpayers should be concerned about—and the patients . . .

The abolishment altogether of a compulsory sickness scheme, once established, even if bankrupt, is beyond imagination. It never has happened. The difficulty of raising additional contributions and subsidies puts the schemes in a tight spot, an ever-tightening one. It necessitates economies, which in turn negate the very purpose of the schemes. Invariably, the doctors are the first victims in this conflict between political objectives and financial realities.

From the point of view of a non-communist society, social security stands or falls on the assumption that it contributes to economic stability. Leaving aside the broad aspect of this question, this much is certified by all experience: medical security does not fulfill that goal, whatever else it may accomplish.

There is no sign anywhere, and no serious student has put forth the claim, that the availability of "free" health care, be it on an insurance scheme or on a Security plan, has stimulated incentives, mitigated industrial strife, reduced absenteeism, forestalled radicalism, strengthened the respect for the law or made labor disclaim higher than "economic" wages.

The fundamental fact remains that no country can provide more in sickness care than its economic production permits. Ultimately, the status of health care depends on the level of wealth, not on schemes of one kind or another.

When the state enters a field of private activity, that field turns into a battleground of organized pressure groups, political and professional, pro and con, often disguised under ideological movements.

The one group that is not suited for organization, but the one in whose name all others claim to speak, rarely receives adequate representation in the literature and even less so in the political arena. The Unknown Patients, lost in the scramble of selfish powers, are the ones whose welfare should be the sole guiding principle of public policy in the medical field.

L. H. T. CLEGG

has been elected vice-president and a director, Crane Ltd., Montreal, and vice-president of subsidiary companies.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CALGARY POWER LTD. 1949 net profit of $1,125,412 was off slightly from $1,131,911 in 1948. Gross revenue from operations increased $642,799 to $5,390,316 and operating expenses were $741,592 higher at $2,568,195.

President G. A. Gaherty states that the spring and summer run-off, on which the company depends for refilling its reservoir, was the lowest in the 40 years of record. This, and the rapid expansion in business, necessitated purchasing all available energy from interconnected sources and operating Victoria Park steam plant to the maximum. This raised cost of steam generated and purchased energy by $818,010. This situation will be somewhat relieved by the spring run-off in May and more so in the early fall when it is expected that first of the three power plants of the Spray project will be placed in service.

To supply the rapidly growing load and enable the company for the time being to generate all its energy requirements by hydro in a year of average river flow, work is proceeding on the 23,000 hp. Rundle plant (part of the Spray development) and a 12,000 hp. extension to Kananaskis plant on the Bow River. Both are expected to be in service in 1951. The plants of the Spray development, along with the Kananaskis extension, will increase installed hydro capacity from 107,550 hp to 208,150 hp.

Arrangements have been made to issue $6 million 3½% first mortgage bonds and $1 million 4½% preferred shares to complete the current year's construction program.

Shareholders, at a special general meeting April 27, will consider increasing authorized amount of preferred shares from $7.5 million to $10 million.

CALGARY POWER LTD.
INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Total net earnings	$2,822,461	$2,921,414
Less: Deprec.	650,000	805,198
Interest	449,857	378,158
Income taxes	686,745	606,147
Add:		
Int. chged to constr.	89,553	......
Net profit	1,125,412	1,131,911
Less: Pref. divds.	290,000	267,500
Surplus for year	835,412	864,411
Times Interest and Exchange Earned:		
Before deprec.	6.27	7.73
After deprec.	4.83	5.60
Earnings per Share and Dividend Record:		
Preferred	$16.08	$16.17
Paid, 4%	4.00	4.00
Paid, 4½%	4.50	3.37½
Common	2.39	2.47
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,036,733	$585,909
Accts. rec.	628,880	530,202
Inventories	839,261	1,058,476
Total curr. assets	2,504,874	2,174,587
Investments	170,500	100,500
Due from subsids.	318,317	......
Deferred chgs.▲	236,682	152,558
Fixed assets	36,436,017	29,479,095
Total assets	39,666,390	31,906,740
Accts., etc., pay.	1,203,496	1,007,260
Tax pay.	395,402	314,145
Accr. bond int.	47,916	29,792
Total curr. liab.	1,646,814	1,351,197
Due subsid.	124,596	117,195
Misc. items	764,832	742,625
Funded debt	17,000,000	11,000,000
Deprec. res.	7,434,102	6,925,174
Other reserves	157,595	70,030
Capital stock	10,500,000	10,500,000
Capital surplus	3,465	945
Earned surplus	2,034,986	1,199,574
▲Incl. ref. EPT	10,852	53,857
Working capital	858,060	823,390

CANADA MACHINERY CORP. consolidated net profit for the year ended Jan. 31, 1949, amounted to $138,577, up 26.2% from the previous year. Sales rose by $300,622.

It is expected that earnings in 1950 will be well maintained, states President J. C. Scanlon, but the effect of greater competition from British made machine tools and woodworking machinery still remains to be determined.

Sales of the valve division were "unsatisfactory" but every effort is being made to find additional products which can be manufactured by this division and there are prospects that oil pipe line and new refinery construction in the oil industry will provide more business.

CONS. INCOME ACCOUNT

Years Ended Jan. 31:	1950	1949
Net earnings	$295,184	$205,952
Less: Deprec.	67,745	26,778
Bond interest	3,937	4,688
Inc. tax res.	84,925	64,639
Net profit	138,577	109,827
Less: Com. divd.	50,000	50,000
Surplus for year	88,577	59,827
Earnings per Share and Dividend Record:		
Common	$1.39	$1.10
Paid	0.50	0.50

CONDENSED CONS. BALANCE SHEET

As at Jan. 31:	1950	1949
Cash & Dom. bds.	$194,891	$94,431
Accts. rec., etc.	218,763	200,083
Inventories	520,865	490,698
Total curr. assets	934,519	785,212
Prepaid chgs.‡	1,121	1,859
Misc. assets▲	47,772	86,457
Fixed assets*	1,409,902	1,413,439
Total assets	2,393,314	2,286,967
Bank loan	20,221	21,761
Accts., etc., pay.	259,186	237,893
Taxes pay.	87,258	64,242
Total curr. liab.	366,665	323,896
Funded debt	100,000	125,000
Capital stock	411,000	411,000
Capital surplus■	960,710	960,710
Earned surplus	554,939	466,361
*After depr. of	614,253	551,282
▲Incl. ref. EPT	31,595	38,318
■Arising from appraisal of f.a.		
‡Incl. in curr. assets in co's report.		
Working capital	567,854	461,316

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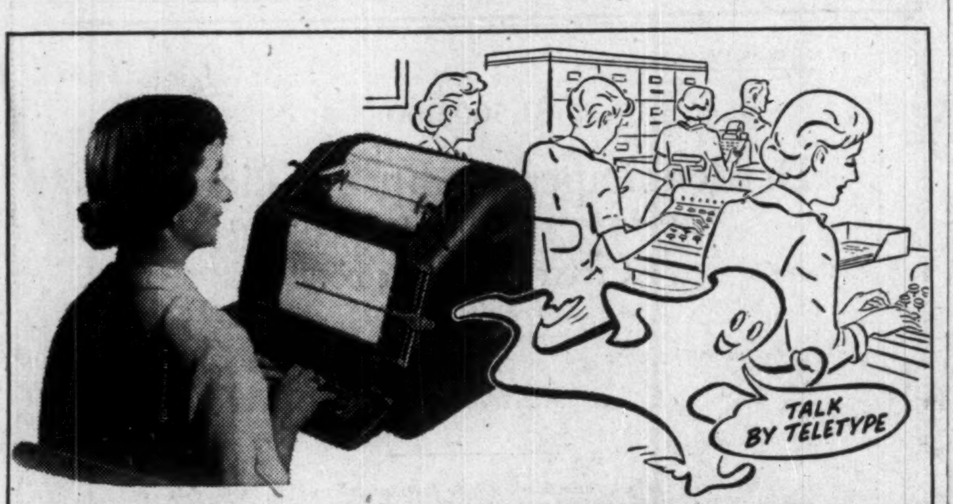

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Is Jury System Incompetent, Outdated?

The Question: Canadian medico-legal expert says juries out of date because of inexperience, inability to appraise technical evidence, reluctance to serve, etc. What is your opinion?

Juries are an essential bulwark against prejudice, perjury, unfair prosecutions and miscarriage of justice. That's how the majority of readers answering The Financial Post question this week dismiss the suggestion of a leading Canadian medico-legal expert that the jury system is out of date.

The general opinion is expressed that with 12 intelligent, well-informed citizens on the job, mistakes are less likely to be made than if the burden of decision rests on one man alone. The expert's suggestion that juries are not always able to appraise technical evidence is countered by the argument that jurors are usually well-informed on many subjects and when difficult angles are explained by a judge are quite capable of coming to a reasonable conclusion.

CHESTER A. BLOOM, Ottawa correspondent, Sifton Press

There is nothing new in the argument that the jury system is inefficient. The argument is the same that applies to government by the people, of the people and for the people. It has undeniable basis in fact. The real problem is to find a substitute which, on the whole, will deal equal justice to litigants. No matter how technical the evidence, how involved the details or finance, how scientific the proofs, always technicians, lawyers, physicians, surgeons, psychiatrists and experts of any degrees can be found to testify on both sides. We must continue to depend on the ability of the judge to sift the evidence and present the kernel of the questions to a jury in common sense terms. The remedy lies in the quality of the bench.

* * *

J. T. BRYDEN, Assistant General Manager, North American Life Assurance Co. Toronto

Juries may be approaching the end of their major usefulness in some cases. There is, unfortunately, always reluctance to serve; technical evidence is difficult to evaluate and legal and other arguments of opposing counsel not always simple and sometimes confusing. Juries may not necessarily be free of bias either. This seems to find recognition in the law which prohibits a jury being informed in automobile cases that an insurance company is involved. However, in cases where non-technical facts are at issue a jury has always performed essential function in our juridical system in criminal cases. Too, there is an additional point that where a man's life may be at stake it seems unwise to place responsibility for determination of guilt entirely on shoulders of one man.

* * *

NORMAN BORINS, K.C., National Chairman, Delinquency & Crime Committee, Canadian Welfare Council, Toronto

With my experience in prosecution and defense work I would strongly urge the retention of jury system in criminal cases. Juries very rarely bring in perverse findings in such cases. If the verdict is inconsistent with the evidence it is at least in favor of the accused.

Juries are a real bulwark of protection for accused against prejudice, unfair prosecutions, perjury, error and against miscarriage of justice. A find of fact is the function of the jury which necessitates decisions on the acceptance and rejection of evidence, on probabilities, on deduction and inferences. All this is best accomplished by the application of the common approach of an average member of a cross-section of the community.

A jury system is a feature of democracy worthwhile retaining. In civil cases, however, too often there are difficult technical and confused points of law incapable of comprehension by juries. The law should be enlarged in the elimination of juries in that type of case. In all cases there is little reluctance on the part of juries to serve. They discharge their duties with a real sense of appreciation of the importance of the task.

* * *

CHARLES W. CAMPBELL, Moncton, N.B., Trustee, Citizens' Research of Canada

Your expert is presumably referring to criminal cases. In New Brunswick for instance, civil cases are tried by a judge who may grant the privilege of trial by jury where a body of opinion on questions of fact is desired.

In criminal cases the accused may ask to be tried either by judge or by jury. His lawyer may want and the trial judge may welcome the presence of a jury so that questions of fact may be determined beyond any reasonable doubt. The judge is always the master on question of law.

The jury system can hardly be said to be out of date merely because certain human weaknesses appear therein. Weaknesses exist in everything that human beings do. Jury service should be made less unattractive than it now is for most prospective jurors which is the real cause of its weaknesses. No man should be deprived of the right to trial by jury when the circumstances call for a serious appraisal of evidence as to the facts in the case.

* * *

JOHN CHISHOLM, Chief Constable, Toronto

Juries, like policemen and other members of the Community, appear to periodically fall short in measuring up to their duties and responsibilities, and while at times I have been disappointed and surprised at individual jury verdicts, in the main our Department has found juries fair in their findings in respect to criminal cases.

You make referense to the reluctance of citizens to serve as jurymen. I am of the opinion that this situation would be minimized if it were arranged that jurymen did not suffer any financial loss by their serving in such capacity.

* * *

SENATOR W. RUPERT DAVIES, Publisher, Whig-Standard, Kingston, Ont.

In my opinion juries will never be out of date. They are carefully chosen not for ability to appraise technical evidence nor for their experience in courts of law but because of their sound common sense and their desire to be fair. The weighing of technical evidence can be safely left to the judiciary. Furthermore if we abandon juries in cases where death is the penalty meted out to the guilty we put upon one man all responsibility for these tremendous decisions.

* * *

J. ALEX EDMISON, K.C., John Howard Society of Ontario, Toronto

I consider the jury system to be one of the best safeguards of justice in our democratic society. While realizing that there may be an occasional instance of inefficiency I submit that the basic advantages far outweigh any defects. One reform of possible merit might be that instead of unanimous verdict the agreement of ten out of twelve jurors would suffice.

* * *

A. W. GIBBON, Editor, Daily News, Nelson, B.C.

An essential part in the maintenance of justice is played by the jury, chosen as it is from a wide cross-section of the people. Who better can sift out the facts than the twelve men, representative of all walks of life, picked to determine the guilt, or innocence of an accused person? It has been truly said that, the collective wisdom of the jury is "the outstanding bulwark of democracy." As a safeguard against injustice, the jury system is serving an important purpose and should not be disturbed.

* * *

NORMAN F. JARDINE, president and general manager, Jardine & Young Ltd., Toronto.

Inexperience may be a bar to law enforcement; it is no bar to the administration of justice. Furthermore, if medico-legal experts, in giving evidence, will avoid gobbledegook, it is my opinion that the intelligence of the average man is quite sufficient to appraise significant points.

A man's right to trial by his peers is not to be lightly cast aside. The pronounced trend, in our courts, to dispense justice rather than law should be encouraged.

The accused are more likely to obtain justice in "trial by jury" than in trial by legal (medico or otherwise) experts exclusively. Jury trials should be maintained.

* * *

ARTHUR E. MALONEY, Criminal lawyer, Toronto

Trial by jury should not be done away with. A juror's value is not gauged by his experience in dealing with complicated legal questions or his ability to appraise technical evidence. The jury system stems out of a citizen's right in a proper case to have his conduct and his frailties judged and the accusations brought against him considered by a jury of fellow citizens who are made of the same stuff and have enjoyed the same human experience. Amendments however to our present system of jury selection are advisable.

* * *

G. A. MARTIN, K.C., Toronto

In my experience I have almost invariably found juries to be free from prejudice, conscientious in the performance of their duty and to possess a high standard of intelligence. In a criminal trial it is most fitting that a man's motives and actions should be judged by a cross-section of his own countrymen, a group of twelve men with different points of view and experience drawn from different sources has an intuitive sense of justice in accordance with the ethical standards of the community rarely if ever possessed by one man however great his talents or broad his experience. To those who favor the abolition of the jury I say, is life more safe or property more secure in those countries where trial by jury does not prevail?

* * *

CHARLES McIVER, Chief of Police, Winnipeg.

I disagree with contents of your wire. The safeguard and basis of the whole of British jurisprudence is trial by peers I have never heard comments from a jury of their inability to appreciate, appraise or understand technical evidence. In some instances juries have greater general knowledge of technical subjects than counsel appearing on cases. We have never experienced reluctance on the part of citizens to serve on juries. Juries generally have keen interest in administration of criminal justice. Cases are very rare where intricate technical evidence forms more than a fraction of the whole evidence of the case.

* * *

GEORGE V. V. NICHOLLS, Editor, Bar Review, Montreal

I do not know whether in Canada juries should be abolished in criminal trials or not, and the blunt truth is that no one knows; all you can say is that from your reading history or limited experience you are a believer or a non-believer.

Trial by jury is an outgrowth of the Anglo-Saxon character and because, for example, it works in Toronto does not necessarily mean that it ought to work in Trois Rivieres. But for generations the jury has been intertwined in our Canadian tradition, French as well as English speaking, and it is for those who want it abolished to establish that they have an alternative with a reasonable chance of working better. I am sure that inexperience of jurymen, their inability to appraise technical evidence and their reluctance to serve are insufficient reasons for abolishing so fundamental an institution.

To me the strongest argument for the jury is that it brings into the administration of the criminal law the humanity, understanding and common sense of the ordinary man. Trial by specialists might or might not be more efficient; certainly in the long run it would be less human. To assess the jury system, as so many other of our social institutions, we need fewer guesses and more facts.

* * *

T. R. OSBORNE, Editor, News, Medicine Hat, Alta.

Believing that jurisprudence is founded on commonsense and that a commonsense interpretation of facts will best preserve the course of justice, I hold no brief for the theory that juries are obsolete. I fear such an exponent is suffering a professional frustration complex at the hand of intelligent laity. I think confusion sometimes arises due to faulty presentation and lack of logical deductions on the part of counsel. Technical evidence, with the possible exception of relativity, can be appraised if given in King's English. Those who subscribe to democracy must be prepared to exemplify responsibility by serving such public offices as jury duty.

* * *

JOHN J. ROBINETTE, K.C., Toronto

I emphatically disagree with the Canadian expert who says juries are out of date. In my opinion retention of the jury system is of utmost importance, particularly in criminal cases. Juries, because of their commonsense and everyday experience make an important contribution to the administration of justice.

* * *

J. J. SAUCIER, Lawyer, Calgary

My personal observation of jury trials has increased my respect for the average common juror. Under the direction of a trial judge juries can properly discharge their duties in most cases without previous experience of technical training. The reluctance of many citizens to serve probably reduces the efficiency of the system. The right of accused persons to trial by jury in major criminal cases has been regarded for so long as a safeguard of individual liberty that the superiority of any other procedure would need to be fully demonstrated before public opinion would countenance any change.

* * *

M. L. SWEENEY, President and general manager, Sweeney Cooperage Ltd., Vancouver

Regarding jury system it is my opinion that this system is not out of date. Jury system is a democratic way of determining guilt or innocence and 12 men or women are less likely to make mistakes than one man who is only human, after all's said and done. An average jury consists of good citizens of average intelligence, many of whom usually possess a great deal of technical knowledge and the combined brains and desire for righteousness enables them to render true justice after the legal angles are explained by the presiding judge.

* * *

COLIN E. SWORD, Manager for Canada, Union Insurance Society of Canton (China) Toronto

If the proposal is to abolish jury system I cannot agree, as the system is based on sound democratic principles and in the main protects the ordinary man. Reasons quoted by your expert seem insufficient to support his statement particularly in view of aid and direction given by courts on technical and legal points. Present day trends towards investing authority in individuals rather than in representative bodies would seem contrary to public interests.

T. F. RAHILLY

president of Toronto Iron Works Ltd., has been elected a director and chairman, Central Bridge Co., Trenton.

COMPANY REPORTS

SLADEN-MALARTIC MINES held 2,126,496 shares of Barnat Mines at the end of 1949, slightly in excess of six Barnat shares for each 10 Sladen shares issued. In addition, $138,000 of Barnat debentures notes and $412,447 of advances to Barnat were also reported.

Aside from this interest in Barnat, Sladen at the end of 1949 had $438,938 working capital, 895,000 shares of Rand Malartic and its mill and properties (under lease to Barnat).

A net profit of $40,236 was realized during the year, plant and equipment rental plus Barnat interest bringing in nearly $66,000.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Bullion prod.	......	$357,239
Less: Oper. exps.	......	432,327
Oper. loss	......	*75,088
Less: Other inc.	$61,391	47,015
Int.-Barnat	23,927	......
Cost-Aid assist.	†3,074	47,546
Net income	88,392	19,473
Less: Deprec.	40,124	39,650
Develop. w/o	......	2,743
Admin. exp.	6,032	......
Prov. for taxes	2,000	......
Net profit & surp.	40,236	*22,920

†For 1948. *Loss or deficit.

Earnings per Share	$0.0114	d$0.0065

No dividends paid.

Note—Profit on sale of invests. of $531 in 1949 and $30,350 in 1948 has been transferred to reserve for invests.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$29,717	$174,090
Mkt. invest.†	396,030	447,343
Cost-Aid	3,074	13,420
Accts. rec.	12,297	673
Total curr. assets	441,118	635,526
Invest. (book val.)	808,834	529,960
Claims & props.	39,622	41,754
Plant & equip.*	168,651	208,775
Total assets	1,458,225	1,416,035
Total curr. liab.	2,180	227
Res. from don. shs.	195,000	195,000
Capital stock	960,258	960,258
Surplus	300,787	260,550
*After depr. of	637,291	597,166
†Mkt. value	465,300	488,300
Working capital	438,938	635,299

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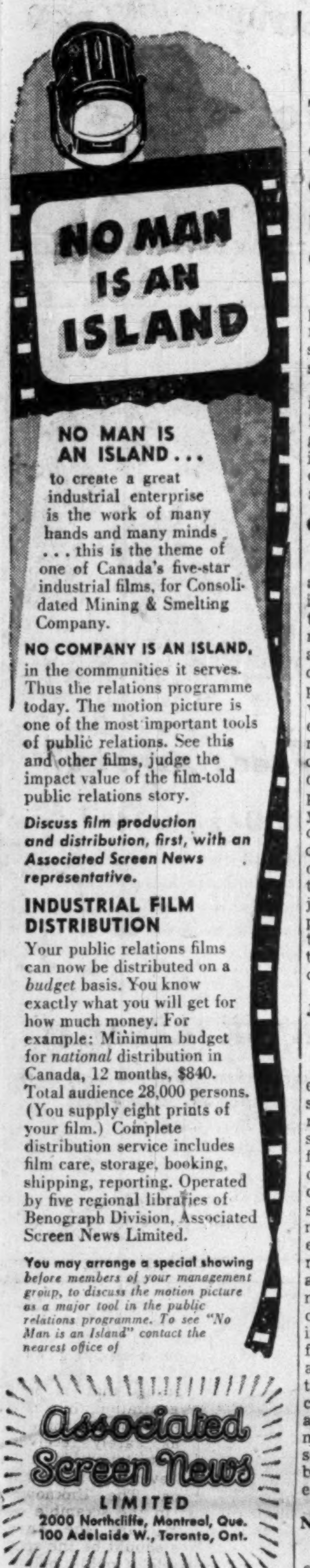

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NO MAN IS AN ISLAND . . . to create a great industrial enterprise is the work of many hands and many minds . . . this is the theme of one of Canada's five-star industrial films, for Consolidated Mining & Smelting Company.

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Associated Screen News
LIMITED
2000 Northcliffe, Montreal, Que.
100 Adelaide W., Toronto, Ont.

Gairdner & Co. Opens A Branch in Kingston

Gairdner & Co. has opened a branch office in Kingston, Ont. It will join the firm's private wire system. J. A. Cunningham has been appointed manager. A. C. Edward is now associated with the firm.

business calls in a . . .

Diplomat

In those delicate negotiations that involve substantial transactions and the destinies of commercial enterprises, Business calls in a Diplomat, whose mission is to personify good faith, confidence and goodwill. They call that Diplomat, "SUPERFINE LINEN RECORD", Canada's finest all-rag bond paper.

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COMPANY LIMITED
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ALL CARS INSURED
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DOMINION U DRIVE

WESTERN GROCERS LIMITED

HEAD OFFICE — WINNIPEG, MANITOBA

At the Annual Meeting of Shareholders held at the Head Office of the Company, the Directors' Report, Balance Sheet, Statements of Profits and Surplus also the Auditors' Report, for the year ended December 31st, 1949, were presented and adopted.

The Directors, W. P. Riley, I. Pitblado, K.C., F. W. St. Lawrence, A. McCallum, E. S. Cooper, W. F. Stewart, H. J. Coon and R. C. Riley were re-elected, and at a meeting of the Board, following the Shareholders' Meeting, the officers were re-elected.

Balance Sheet as at 31st December, 1949

ASSETS

Current Assets			$3,889,493.82
Cash on Hand and in Banks (less Outstanding Cheques)		$ 430,368.55	
Customers' Accounts Receivable, after providing for possible losses		1,024,281.94	
Advances on Merchandise and Sundry Debtors		67,312.09	
Customs Deposits		6,550.00	
Merchandise—per Inventories—as determined and certified by the Management, on basis of cost or market, whichever was lower		2,360,981.24	
		$3,889,493.82	
Prepaid Expenses			14,230.49
Refundable Excess Profits Taxes			125,467.82
Investments in and Advances to Subsidiary Companies			2,599,803.55
Investments—at cost		$2,599,399.06	
Advances		404.49	
		$2,599,803.55	
Other Investments (at cost)			1,600.00
Fixed Assets			1,212,897.53
Warehouse Properties — Land and Buildings — see note below		$1,118,360.74	
Equipment—at cost less depreciation		94,536.79	
		$1,212,897.53	

NOTE RE WAREHOUSE PROPERTIES

The original properties acquired at formation are valued in the accounts on the basis of the appraisal made by the Canadian Appraisal Company, as of 14th December, 1912, with subsequent additions at cost—less depreciation and amounts written off.

			$7,843,493.21

LIABILITIES

Current Liabilities to Public			$1,206,384.03
Accounts and Bills Payable		$ 914,239.94	
Income Taxes — Provision less instalment prepayments		232,156.41	
Dividends Payable 15th January, 1950		54,786.25	
On Preferred Shares	$20,900.25		
On Class A Shares	33,886.00		
	$54,786.25		
Unclaimed Dividends		5,201.43	
		$1,206,384.03	
Advances from and Amounts Payable to Subsidiary Companies			89,948.22
Reserves			759,539.61
Reserve for Contingencies		$ 100,000.00	
Reserves for Future Inventory Losses		659,539.61	
		$ 759,539.61	
Capital Stock			2,217,162.74
Authorized:			
Preferred Shares ($20.00 per Share) — 175,000 Shares		$3,500,000.00	
Class A Shares (no par value)—150,000 Shares		....	
Common Shares (no par value)—150,000 Shares		....	
Issued and Outstanding:			
Preferred Shares ($1.40 Series)—59,715 Shares		$1,194,300.00	
Class A Shares (no par value)—67,772 Shares Common Shares (no par value)—86,638 Shares		1,022,862.74	
		$2,217,162.74	
Earned Surplus—per Statement attached			3,444,990.79
Deferred Surplus:			
Re Refundable Excess Profits Taxes			125,467.82
			$7,843,493.21

Signed on behalf of the Board,
W. P. RILEY
A. McCALLUM } Directors.

Contingent Liabilities Reported: Guarantee of a Subsidiary's Bank indebtedness—Maximum $200,000.00. Employees' Pension Plan—Estimated remaining sum, which, under the plan, is payable over the next twelve years, in respect of past service—$289,911.03.

STATEMENT OF PROFIT FOR YEAR ENDED 31ST DECEMBER, 1949 AND OF EARNED SURPLUS ACCOUNT

Profit for year before taking into account the undermentioned items		$ 847,754.10
Additions		302,094.50
Dividends from Subsidiary Companies	$300,579.50	
Other Dividends	1,515.00	
	$302,094.50	
		$1,149,848.60
Deductions		412,540.23
Depreciation on Buildings and Equipment	$ 74,081.23	
Directors' Fees	1,000.00	
Executive Officers Remuneration	61,200.00	
Legal Fees	1,259.00	
Provision for Income Taxes	275,000.00	
	$412,540.23	
Net Profit for year (after providing for Income Taxes) transferred to Earned Surplus		$ 737,308.37
Earned Surplus at 31st December, 1948		2,877,775.11
		$3,615,083.48
Additions		50,647.31
Transfer from Deferred Surplus re 1943 Refundable Excess Profits Tax collected	$ 37,316.89	
Adjusments affecting prior years	13,330.42	
	$ 50,647.31	
		$3,665,730.79
Deductions		220,740.00
Dividends:		
Preferred Shares: Four at 35c per share, being at the rate of $1.40 (7%) per annum to 31st December, 1949	$ 83,601.00	
Class "A" Shares: Four at 50c per share, being at the rate of $2.00 per annum to 31st December, 1949	135,544.00	
	$219,145.00	
Loss incurred on disposal of building	1,595.00	
	$220,740.00	
Earned Surplus at 31st December, 1949		$3,444,990.79

Auditors Report to the Shareholders:

We have made an examination of the books and accounts of Western Grocers, Limited for the year ended 31st December, 1949, and have prepared the accompanying Balance Sheet, Statement of Profit and Earned Surplus Account.

We have also examined the books and accounts, or the audited financial statements, of all subsidiaries. The accompanying Balance Sheet does not set forth the assets and liabilities of subsidiaries and the Statement of Profit does not include the operating profits of subsidiaries except as to dividends received from same. In accordance with Section 114 of the Dominion Companies' Act, we report that all subsidiaries earned net profits for their respective financial periods ending in 1949 and that in the aggregate, the dividends from subsidiaries taken credit for in the Statement of Profit are less than the combined profits of subsidiaries for such periods.

With the foregoing, we certify that, in our opinion, the Balance Sheet submitted herewith is drawn up so as to exhibit a true and correct view of the state of affairs of Western Grocers, Limited, as at 31st December, 1949, according to the best of our information, the explanations given us, and as shown by the books. We have obtained all information and explanations required by us.

(Signed) SHARP, WOODLEY & COMPANY,
Chartered Accountants, Auditors.

Winnipeg, 31st January, 1950.

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To FRANCE	$613.60	$704.90
To HOLLAND	$613.60	$704.90
To BELGIUM	$613.60	$704.90
To ITALY	$746.30	$837.20

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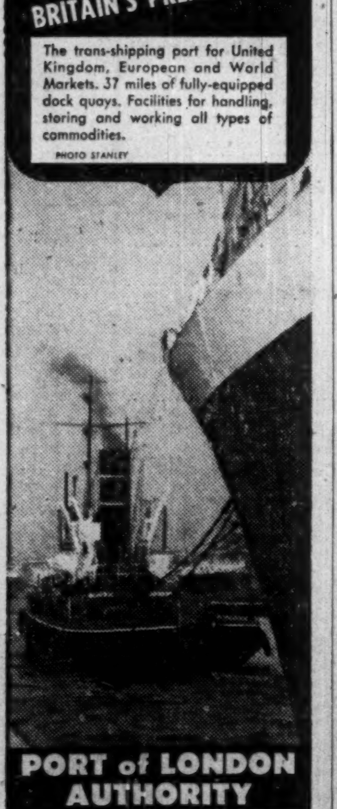

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THE TOURIST BUSINESS

By WALLACE GILLESPIE

Here's Ontario's Big "Come-on" Plans To Help Tourists Make Up Their Minds

What happens when hubby wants a holiday in the mountains and wife wants one at the seashore?

They go to the mountains.

Or at least that's what most families would do, according to a survey recently made by the Ontario Government.

This classic domestic conundrum is of more than flippant interest. It is part of the answer to the problem of getting more tourists into this country, and thereby helping out our exchange situation.

The thinking behind the survey was that the "selling" of this country as a place to vacation should be approached with some of the techniques which the sales manager of a vacuum cleaner company might use.

For example, what is it that influences an American to come here for a holiday? When is the actual decision made? And who has the greatest "buying influence" in making it?

To get the answers, questionnaires were sent out to 10,000 people who had written to the Ontario Department of Travel and Publicity for holiday information. Replies were received from 2,200.

Last week in Niagara Falls, delegates to the Second Annual Ontario Tourist Conference heard Harold J. Chater, director of Ontario's bureau of statistics aid research, announce the following findings:

1. "Where to go" decisions are made five times more frequently by the man of the house than by the woman of the house. A substantial number were marked down as "general family agreement," but these were no more numerous than the cases in which the man alone decided.

2. By the end of March, 42% of the respondents had made up their minds on where to go. By the end of June, holiday decisions had been made by 78.6%. The moral for tourist promoters is to "catch 'em early."

3. A potent influence on the people who decided to come to Ontario was exercised by their own friends in the U. S., many of whom had visited the province. The importance of "repeat business" to the province's tourist industry was demonstrated in the figures.

Revising Regulations

Conference delegates were advised that a revised set of regulations under the Tourist Establishments Act, 1949, are now in the making. Travel Minister Louis P. Cecile said he would seek cabinet approval for a provision under which the licence of any tourist operator who is convicted of illegally functioning as a fish or game outfitter will be immediately cancelled.

This tackles a problem which has worried the northern and northwestern parts of the province. Some people who have been refused outfitters' licenses are working as such with nothing more than a tourist camp operator's license. This, said Mr. Cecile, is reprehensible for two reasons: it is an unwarranted burden on the natural resources of the areas, and it is unfair competition for established outfitters.

Also announced was the coming formation of a "Provincial Tourist Council." Mr. Cecile said he would draw its members from the various industries concerned, and from the various seections of the province, on a geographical basis.

Action will also be taken, the minister promised, on the proposal which has been advanced in several quarters during the past year that a "Provincial Historical Advisory Board" be set up to help preserve the province's historical assets and to use them effectively as tourist magnets.

A panel discussion on tourist advertising revealed major changes in the Ontario Government's program which this year will extend almost 200 million "invitations" to visit the province.

The chief change is in the agency arrangement. Last year's advertising budget, about equal in dollar amount to this year's, was placed by one agency. This year the account is split three ways, as follows:

Locke Johnson & Co., advertising agency, will handle a compaign in Canadian publications which has been boosted to 20% of the total budget. One hundred and eighty-five ads are appearing in 23 magazines and 40 newspapers, making a total of 12.2 million invitations. Heavier concentration will be in the neighboring provinces of Quebec (from which tourist response is improving) and Manitoba.

McConnell, Eastman & Co. will place a campaign in newspapers in the United States. Two hundred and four ads will appear in 33 metropolitan newspapers, making 132.5 million invititions. Concentration will be in bordering states.

McKim Advertising Ltd. will handle a magazine compaign in the States, which will include 93 ads in 23 magazines. Concentration will be in magazines catering to specific interests.

On the basis of mail response so far, 1950 looks good. The Department received 22,361 enquiries up to the end of March, compared with 16,890 in the same period last year. But, department officials wonder, is this only a further indication that people are "shopping around" more?

* * *

Manitoba Outlook

With a 46% increase over 1949 long term tourists already posted for the first three months of this year, it is almost certain that 1950 will be Manitoba's biggest tourist year, Hon. J. S. McDiarmid, Minister of Industry and Commerce forecast.

"The Bureau of Travel and Publicity estimates more than 33,000 U. S. tourists visited Manitoba during the first three months of this year. This is a 46% increase in long term tourists, according to DBS figures," the Minister said. "The Bureau has handled 85% more enquiries in the first three months of 1950 than in 1949."

Record receipts from tourism totaled $20 millions in 1949, the Minister said. "Of this, $4,400,000 was spent on accommodation, $3,400,000 on transportation, $4,000,000 on food and meals, $6,800,000 on retail purchases, $1,800,000 on entertainment and $400,000 on incidentals."

A. B. HILL

has been elected a director and vice-president, Toronto Iron Works Ltd., and president of the subsidiary Central Bridge Co., Trenton, Ont.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

JAMAICA PUBLIC SERVICE LTD. 1949 net profit amounted to $138,529, against $138,303 in 1948. As a result of devaluation, the company now issues a statement in dollars for the parent company and one in pounds sterling for the operating subsidiary, Jamaica Public Service Co. Ltd., rather than the previous consolidated statements.

The subsidiary shows operating revenues of £456,177 (£443,541 in 1948) and net income of £100,584 (£74,672). Principal factors in the increase were greater sales, more customers and higher average annual use per customer. Net electricity generated rose to 65,035,300 k.w.h. (53,970,700).

Operating expenses totaled £259,551, down £33,177 largely due to a substantial reduction in fuel oil consumption (resulting from operation of the new Roaring River Hydro Plant) and cost per barrel, for steam generation, and elimination of certain expenses due to cessation of the tramway operations.

An investment of £157,546 was made for additional plant, chiefly on extensions, transmission lines and substations.

President R. D. Bell states that engineering studies on the new 4,750 kw hydro-electric generating station being built on the Lower White River have been completed and present estimates indicate this plant should be in operation late in 1951.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net income	$149,447	$149,230
Less: Taxes	10,918	10,927
Net profit	138,529	138,303
Less: Divds.	135,000	135,000
Surplus for year	3,529	3,303
Earnings per Share and Dividend Record:		
Common	$1.03	$1.02
Paid	1.00	1.00

Note—Pro forma earnings per share of common stock (based on subsid. earnings for year ended Dec. 31, 1949) converted to Candn. dollars at the rate of $3.0875 to the £), would be $1.38 in 1949, against $1.45 for 1948 (converted from £ sterling at rate of $4.8675 to the £).

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$29,759	$26,232
Accts rec.	4,346	4,404
Total curr. assets	34,105	30,636
Prep. taxes§	117	117
Inv., J.P.S. Co. Ltd.	1,196,086	1,196,086
Total assets	1,230,308	1,226,839
Total curr. liabs.	279	339
Capital surplus	1,033,783	1,033,783
Surplus	196,246	192,717

§Incl. in curr. assets in co's report.

CANADA RICE MILLS LTD., Vancouver B.C., net profit of $108,019 for 1949 was up sharply from $63,245 in 1948.

Working capital at Dec. 31, 1949 amounted to $267,804, against $314,637 at the end of 1948.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$207,787	$108,154
Less: Depr.	30,550	9,328
Bond int.	6,723	1,526
Income taxes	62,495	34,055
Net profit	108,019	63,245
Less: Dividends	......	193,600
Surplus for year	108,019	•130,355
Earnings per Share:		
Common	$46.96	$27.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$31,259	$49,942
Accts. rec.	97,251	129,731
Inventories	163,184	584,483
Total curr. assets	891,694	764,156
Prep. exp.§	2,591	......
Misc. assets	7,074	598
Fixed assets*	197,369	83,254
Total assets	1,098,728	848,008
Bank loan	467,200	374,438
Unpaid chques	......	38,108
Accts., etc., pay.	156,690	36,973
Total curr. liabs.	623,890	449,519
Funded debt	65,716	150,000
Capital stock	230,000	230,000
Earned surplus	179,122	18,489
*After depr. of	unstated	173,711
§Incl. in curr. assets in co's report.		
Working capital	264,804	314,637

AMERICAN NEPHELINE showed a sharp increase in net profits to $113,744 or 3.8 cents a share in 1949 (0.1 cents in 1948). An 8% increase in sales and lower depreciation charges (to maximum tax saving), were primarily responsible for the improvement.

After treating 92,242 tons of crude ore during the year, assured reserves in the Cabin Ridge area—source of all current production—are estimated by Dr. Duncan R. Derry at 1,522,860 tons from work so far carried out. Reasonably assured underground ore in the west area is placed at an additional 815,000 tons.

Provision has been made to increase production at Lakefield as Rochester operations are being suspended with termination of the Cobourg-Rochester ferry service April 30.

"Present conditions in the ceramic industry in the United States and Canada indicate that production should be at least equal to that of 1949," Vice-president H. R. Deeth reports. "With new business that is anticipated, sales for 1950 should show an increase at least to the same extent as shown for 1949."

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net sales	$1,014,440	$948,933
Add: Inc. in inv.	†29,348	10,064
Less: Oper. exps.	841,767	832,187
Oper. profit	143,325	126,810
Less: Depr.	29,434	95,478
Def. dev. w/o	16,250	25,078
U. S. inc. tax on subsid.	9,500	3,500
Add: Prem., U. S. exch.	25,603	......
Net prof. & surp.	113,744	2,754
†Decrease.		
Earned per share	$0.038	$0.001
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$78,904	$20,372
Accts. rec.	115,954	95,174
Inventories	83,488	210,722
Total curr. assets	278,346	326,268
Dep. with H.-E. Power	......	36,288
Deferred devel.	151,653	126,833
Misc. assets	102,203	13,786
Mining prop.	63,283	63,283
Bldgs., equip., etc.*	811,524	708,624
Total assets	1,407,009	1,275,082
Notes pay.	8,939	......
Accts., tax., etc., pay.	94,881	86,018
Total curr. liabs.	103,820	86,018
Capital stock	1,524,963	1,524,964
Less: Deficit	221,774	335,900
*After deprec. of	374,110	373,589
Working capital	174,526	240,250

OPERATING STATISTICS

	1949	1948
Tons milled	92,242	90,100
Ore reserves, tons:		
Assured	1,552,860	......
Reasonably assured	815,000	815,000

Plans Finalized For Obaska Lake Revival

Plans have been approved by Obaska Lake Mines for the sinking of a shaft and underground development of indicated ore bodies.

At a meeting May 1, shareholders approved an increase in the authorized capitalization to four million shares and the proposed financing. The company plans to offer 1,125,000 shares to shareholders of record May 15, 1950. Each will be entitled to purchase seven shares for every 10 held, at 13½c a share.

The offering will be underwritten by Bruce Holdings Ltd. which will also receive an option on 875,000 shares at 20c to 50c a share.

Proceeds will be "for the general corporate purposes of the company and for the underground development of its properties."

IN MONTREAL

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ON DOMINION SQUARE
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Staff Changes

Chartered banks announce the following staff changes:

Canadian Bank of Commerce:

L. F. K. WINTER, an assistant accountant, Peterborough, Ont., to be an audit officer, head office.

A. G. WITHYCOMBE, to be in charge, Belleoram, Nfld.

E. W. TAPP, accountant, Bradford, Ont., to be manager, Cayuga, Ont.

W. M. CURRIE, an assistant inspector, head office, Toronto, to be an assistant manager, Kingston, Jamaica.

D. BLACK, formerly an assistant cashier, The Canadian Bank of Commerce (California), Los Angeles, Calif., to be assistant manager, Seattle, Wash.

A. M. LEITCH, accountant, Queen and Spadina, Toronto, to be manager, Dovercourt and Dupont, Toronto.

W. C. JORDAN, manager, Dovercourt and Dupont, Toronto, to be manager, Mount Pleasant and Manor, Toronto.

D. L. HEBB, to be manager, Hantsport, N.S., formerly sub-agency to Windsor, now operated as independent branch.

H. L. WEBB, accountant, Queen and Bathurst, Toronto, to be assistant manager, Queen and Bathurst, Toronto.

R. C. STORK, assistant accountant, Queen and Bathurst, Toronto, to be accountant, Queen and Bathurst, Toronto.

D. F. PRIOR, assistant accountant, Queen and Spadina, Toronto, to be accountant, Queen and Spadina, Toronto.

B. D. KAY, to be assistant accountant, Queen and Spadina, Toronto.

* * *

Montreal:

C. H. SMITH, formerly manager, Hughenden, to be manager, Bentley, Alta.

C. FERRIMAN, formerly manager, Queen St. E. and Beech Ave., Toronto, to be manager, Brockville.

G. D. JOBB, formerly accountant, Drumheller, to be manager, Hughenden, Alta.

M. RAYNER, formerly accountant, Leamington, to be manager, Wales, Ont.

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Branches throughout Scotland
LONDON OFFICES:
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Burlington Gardens, W.1
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($482,416,821)
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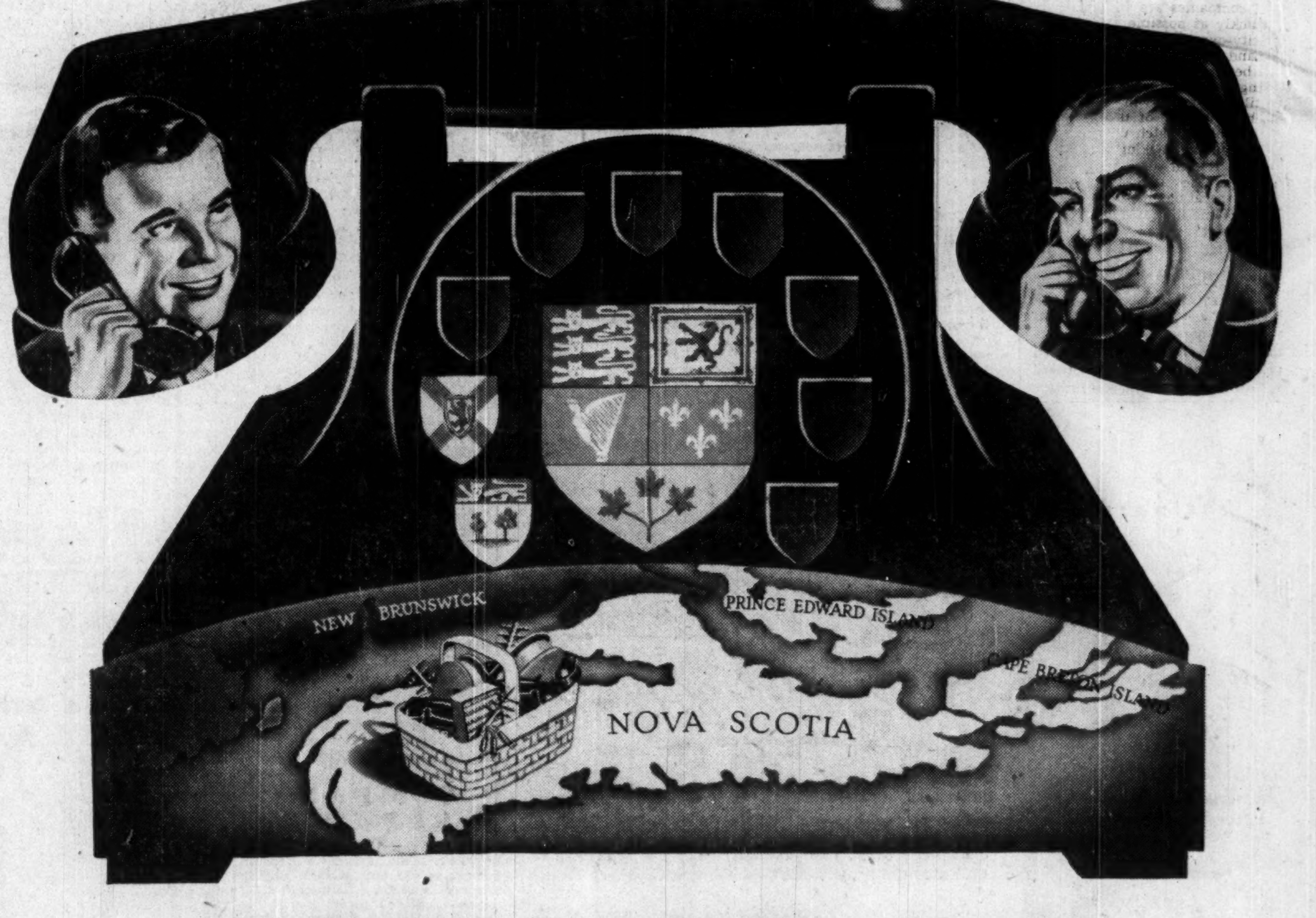

WE DID SOME SHOPPING FOR YOU!

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During 1949 alone, for example, The Maritime Telegraph and Telephone Company, Limited, a unit of the TRANS-CANADA SYSTEM, spent $3,767,980 on new plant and equipment vital to your needs. And, while looking after local requirements they've also been extending and improving your long distance service through the TRANS-CANADA SYSTEM.

Last year this one company spent $2,434,264 in wages and salaries. And it bought—among other things—over 20,000 new telephone sets, three buildings, 14,857 miles of wire—all of it right here in Canada.

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MANITOBA TELEPHONE SYSTEM • SASKATCHEWAN GOVERNMENT TELEPHONES • ALBERTA GOVERNMENT TELEPHONES • BRITISH COLUMBIA TELEPHONE COMPANY

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Canada's Record $700 Millions for Utility Expansion

Power, Transit, Phone and Gas Producers See Huge Demand Easing But Far To Go Yet

By W. L. DACK

This year utility companies are investing in Canada's future at the rate of $52 per capita. This is probably a record for any country for any year. More importantly, coming at a time when steam is beginning to run out on postwar industrial building programs, it should help maintain the national economic tempo at a fast clip.

The 1950 program represents a capital outlay of around $703 millions for a list of utilities ranging all the way from broadcasting installations to steam railways and hydro-electric construction projects.

What's more, it's all part of a broad plan covering several years to streamline services and to catch up with mounting public demand. Back of all the planning is the broad premise that Canada's growth trend is just getting into high gear.

The problem for the utility companies has not just been a 17% jump in population in 10 years—that would have been problem enough, particularly with a war squeezed in—but that the national economy is much more highly industrialized and moving at a much faster rate; that the majority of wage earners have jumped into a higher standard of living.

Here's how public demand on utility company services has soared since war's end. In nearly every instance the rising demand trend continues:

1. Consumption of primary power has jumped 32.7%; is up 10% higher in first two months of 1950.
2. Number of telephones in service in Canada has jumped 34%, but every telephone company is still faced with an imposing waiting list.
3. Consumption of natural and manufactured gas has jumped 26.6% and the biggest companies in the field are still unable to cope with market demands.
4. Urban and interurban transit systems carried a record number of passengers in 1949 with no indication yet of any downturn.

All companies are striving hard to regain as quickly as possible that margin of excess capacity over demand that is considered normal and which usually goes hand in hand with better service and more economical operating conditions. This year will stand out in utility history as the first postwar year in which a number of utility companies were finally able to catch up with or make sharp inroads on the backlog of public demand for service. It will also stand out as the year in which the increasing squeeze between higher operating charges and fixed consumer rates became so drastic as to force many concerns to apply for permission to increase consumer rates.

Hydro-electric projects continue to account for the biggest chunk of utility spending. Last year 480,585 hp was added to the nation's potential at a cost of around $260 millions. This gave installed waterpower plants with a capacity of 857 hp per thousand of population to make Canada the world's largest per capita power producer. A recent DBS survey showed that an estimated 3,002,000 households in Canada were served with electricity; this represented 86% of total homes.

A number of large developments in an advanced stage of construction will add about 1.5 million hp during 1950-1951. Many other projects are in preliminary phases of construction or are definitely planned.

Ottawa has recently urged on U. S. Government the importance of an early start on the oft-shelved St. Lawrence River project. This, plus a proposed British Columbia power development (now in preliminary engineering stages) for manufacture of aluminum could boost Canada's hydro-electric facilities by 45%. It would provide a total waterpower installation of approximately 16 million hp as against 8.2 million hp in 1939. The 1950 power bill will run at around $305 millions (inclusive of relatively small expenditures on gas works).

Hydro Power

Every province has sizeable hydro or steam electric programs in force. Here's a look at the highlights across Canada.

In British Columbia a total of 228,300 hp of new hydraulic capacity was brought into operation in 1949. Largest individual addition was that of 124,000 hp in two units in the Bridge River plant of British Columbia Electric Railway Ltd., bringing present total plant capacity to 186,000 hp; ultimately this plant may contain 10 units. The company also has under way installation of a third unit of 47,000 hp in its Ruskin plant on the Stave River and has been investigating a site of about 70,000 hp at Jones Lake, 75 miles east of Vancouver.

The British Columbia Power Commission completed its John Hart development on the Campbell River, Vancouver Island, to the presently planned capacity of 112,000 hp. Planned ultimate capacity of the plant is 168,000 hp in six units.

B. C. Electric, biggest power builder, spent around $27 millions last year on its several services, plans to spend another $23 millions this year ($17 millions for hydro-electric expansion). It is expected, however, that the expenditure trend will be downward for the next several years as a normal surplus of generating capacity has now been achieved.

For Alberta, Calgary Power Co. has a $30-million, 62,000-hp power development program under way. About $7.5 millions has already been spent. The whole program is expected to be finished by 1953. By that time the company's investment in hydro-electric plants, lines, substations, etc., will be more than doubled and capacity will be up around 220,000 hp. Rural electrification programs are making progress with about 3,000 new farm customers being given service in 1949.

In Saskatchewan's power picture one of the outstanding features of the year was the inauguration of a new farm electrification policy designed to speed power connections to an increasing number of farm applicants. About 1,200 rural consumers were given service and it is hoped to considerably expand this figure in the current year. Two new diesel units of 1,600 hp each, one at Watrous and one at Yorkton, were added to the Saskatchewan Power Corp. system. Installation of equipment and alterations to boilers to burn bunker C fuel oil in the corporation's steam plants in the northern part of the province progressed during the year.

In Manitoba, power consumption is still on the uptrend and, if the increase continues at the present rate, supply from the province's new $20 million power development at Pine Falls (to come into initial production in 1951) will be nearly exhausted by the time the project is completed.

Winnipeg Electric Co. increased capacity of its Seven Sisters plant on the Winnipeg River by 54,000 hp during the year. The powerhouse now contains four units of 37,500 hp each with a fifth unit under construction for 1950 operation and with space allowance for ultimate installation of a sixth unit. It looks now, however, as if the province will soon have to start exploring for new supplies.

Most encouraging prospects seem to hinge on the current negotiations with Ontario for integrating power potentialities on the upper regions of the Winnipeg River. A technical committee of six, three from Ontario and three from Manitoba, is now discussing the project.

In Ontario, although only a minor increase in installed capacity of around 2,000 to 3,000 hp was reported in 1949, the Hydro-electric Power Commisson had a tremendous program of construction actively under way with good progress reported on all projects. The Commission plans to spend around $160 millions on hydro expansion this year. It is planned also to extend rural service another 3,100 miles and to add approximately 31,667 new customers.

By July it's expected the initial three units (60,000 hp each) in the huge Des Joachims project on the Ottawa River above Pembroke will come into operation and the remaining five units by early 1951. Capacity of the eight units will be 480,000 hp of 60-cycle power. Total estimated cost is $75,775,000.

At the Chenaux development on the Ottawa River (about 10 miles directly north of Renfrew) work was progressing rapidly and it is expected to have three units in service in January, 1951, and remaining units by November, 1951. A third Ottawa River site at La Cave Rapids above Mattawa came under construction in 1949. There will be six units here of 32,000 hp each and it is anticipated that first units will come into operation in 1952.

On the Nipigon River at Pine Portage an initial development of 80,000 hp in two units was nearing completion with operation expected this summer. At the Tunnel site on the Mississagi River near Thessalon the high dam and powerhouse to contain two units each of 28,000 hp are well advanced and operation of plant is expected to get under way by midsummer.

In addition to its water power projects the Commission is constructing for 1951 operation two large auxiliary steam plants, one of 160,000 hp (ultimately to be 320,000 hp) at Windsor at an estimated cost of over $20 millions and one initially of 268,000 hp at Toronto at an estimated cost of $40 millions.

Pending completion of these plants, five emergency steam stations are being put into operation in the Southern Ontario system.

Aside from the Commission's operations Great Lakes Power Co. was adding a 13,200 hp unit to its Michipicoten River plant for 1950 operation.

In Quebec, Shawinigan Water & Power Co. completed its development of 195,000 hp at Shawinigan Falls on the St. Maurice River by bringing into operation the second and third units each of 65,000 hp. Also under way by the company is a new development of 390,000 hp at La Trenche Rapids on the upper St. Maurice River. Initial operation is expected in 1951.

Quebec Hydro-Electric Commission is building a new powerhouse at Beauharnois, St. Lawrence River, which will ultimately contain 11 units of 55,000 hp each, the first three units being scheduled for 1951 operation. In its Rapid VII Ottawa River plant the Commission completed installation of a fourth unit of 16,000 hp.

Gatineau Power Co. brought into service the third and final unit of 27,000 hp at its Bryson plant on the Ottawa River. Northern Quebec Power Co. has increased capacity of its Quinze River plant by 10,000 h.p.

In the Maritimes a number of projects were active or planned. Nova Scotia Light & Power Co. installed a new unit of 4,500 hp in its Black River plant and under way for 1950 operation is a development of 5,000 hp on Paradise Brook. Nova Scotia Power Commission has under advanced construction a development of 12,000 hp on Mersey River at Deep Brook and is contemplating development of 8,000 hp on the Bear River and 4,800 hp on the Tusket River. New Brunswick Electric Power Commission has been investigating several waterpower sites including the Magaguadavic River, 16,000 hp; the Tobique River, 6,000 hp, and the Saint John River at Beechwood.

Newfoundland Light & Power Co. has under construction for 1950 operation a new development of 13,000 hp on the Mobile River. In addition to water power developments, steam-electric projects were proceeding actively at Maccan, Trenton, Halifax and Sydney, N.S., and at Charlottetown, P.E.I.

Telephones

Canadian telephone companies have under way the greatest expansion program in their history. Expenditures on new construction, machinery and equipment this year will be around $108 millions, on a par with last year's expenditures. Demand for telephone connections and for additional services continues beyond most companies' ability to satisfy.

Despite the fact that 243,800 new phones were added in 1949 very little reduction was made in the backlog of waiting applicants. At the beginning of the current year 19.6 in every 100 of Canada's population had telephone service; for 1939 the figure was 12.3 per 100. Total telephones in service at the end of 1949 was 2,690,331 which gave Canada the second highest telephone service per capita in the world (U. S. is first).

Bell Telephone Co., which accounts for approximately 60% of the nation's telephones, plans gross expenditures in the next three years of some $250 millions.

British Columbia Telephone Co. — Canada's second largest privately owned telephone company—plans to spend $40 millions in the four years 1949 to 1952.

A $14.9 millions capital budget, biggest ever planned for one year, has been presented by the Manitoba Telephone System to pay for planned extensions in 12 months ended March 31, 1951.

Maritime Telegraph & Telephone Co. has the largest construction program in its history for 1950 entailing expenditures of $5 millions. The same is true for practically all of the other phone companies.

Perhaps one highlight of current operations is the speed with which operating costs are overtaking still-rising revenues. Four large telephone companies have been forced to apply for rate increases and so far two—New Brunswick Telephone Co. and Quebec Telephone Co. (both provincially incorporated companies)—have been granted increases. But Bell Telephone Co. and B. C. Telephone Co. (both Dominion incorporated companies) are still awaiting the outcome of application still before the Board of Transport Commissioners.

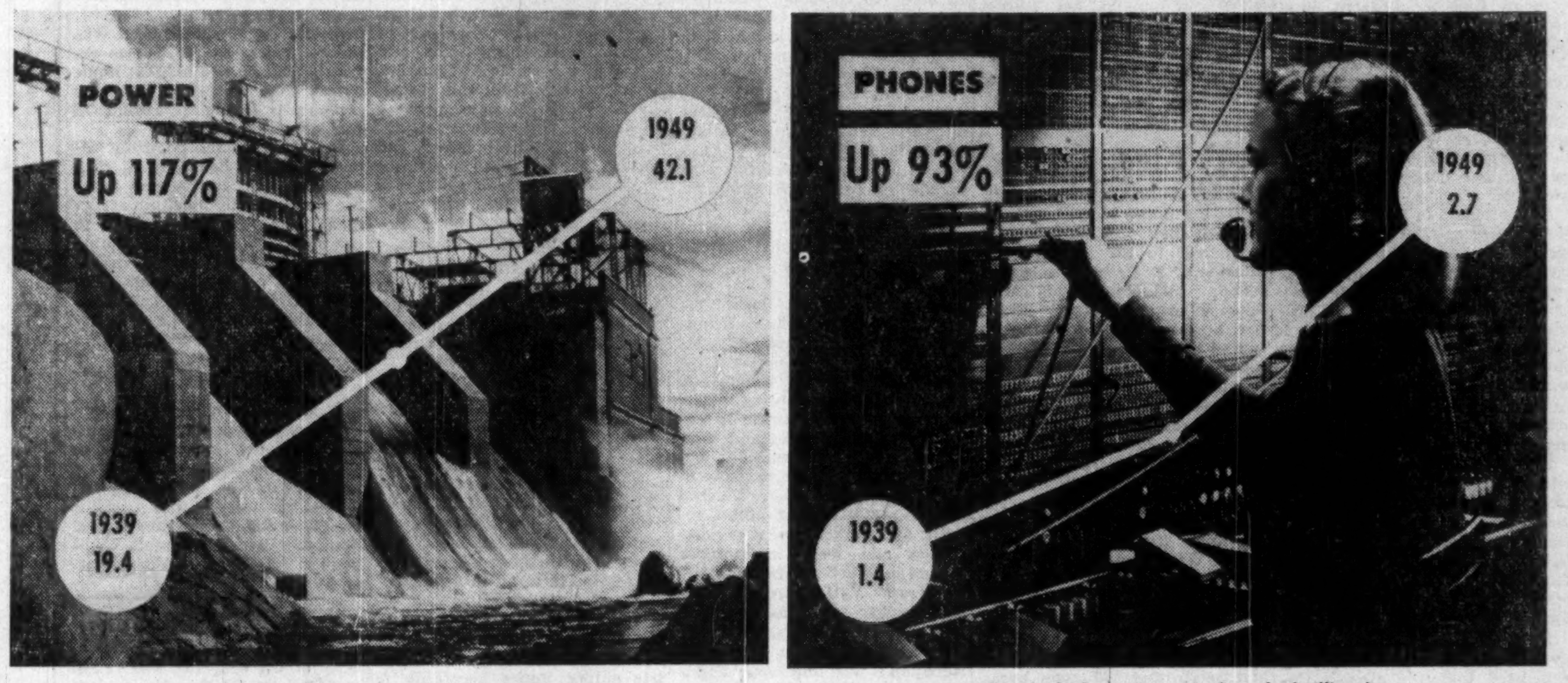
Bell's application, if approved, would give rate increases of roughly 20.6% In pressing for a new rate structure company officials state that from Dec., 1948, the company had failed every month to earn its dividend requirements. Charges of service established 22 years ago cannot produce adequate revenues under today's conditions, said President F. Johnston at this year's annual meeting.

Transportation

Canadian transit systems chalked up another record in 1949 with more passengers carried than in peak war years. These boom-

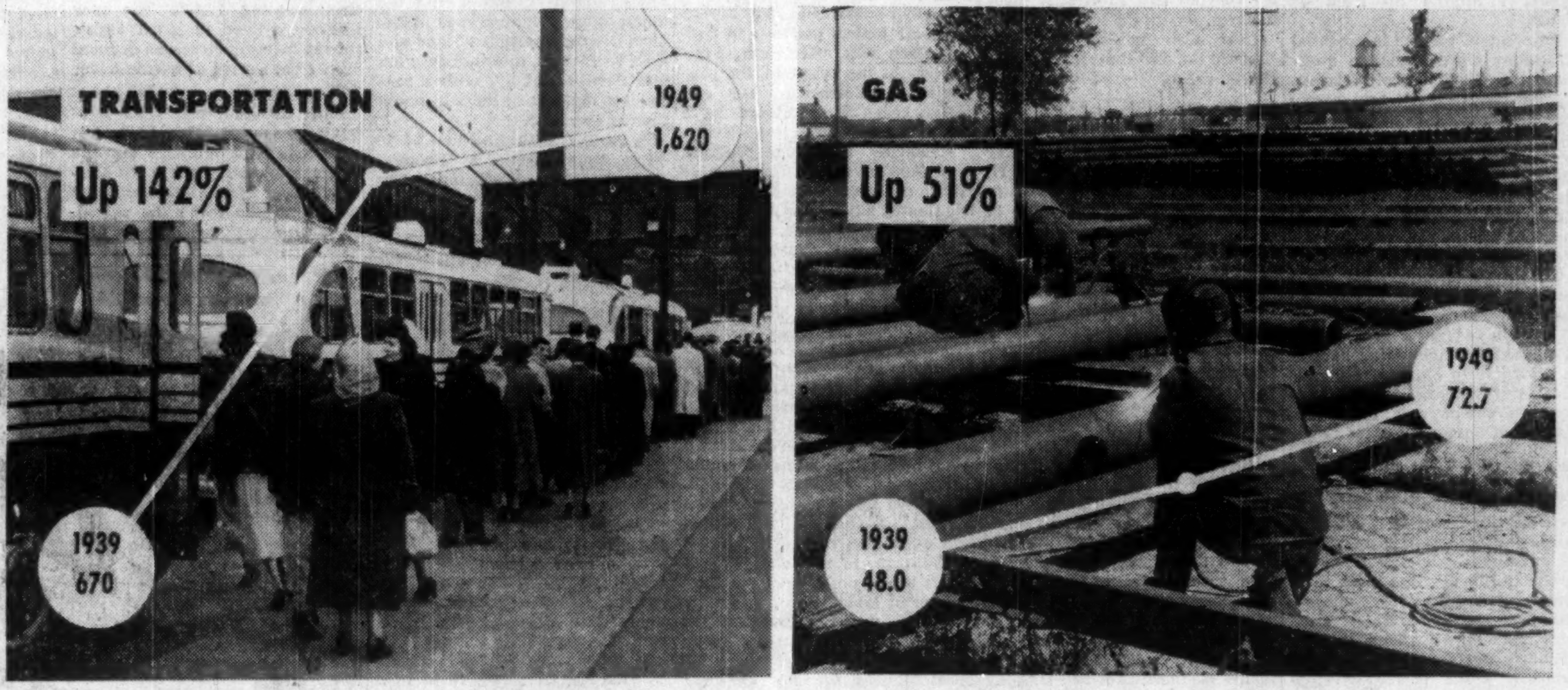
(Continued on page 37)

Here's 10-Year Growth Record in Canada's Public Utilities



Consumption of primary power (BILLIONS KWH)

No. of telephones in use in Canada (millions)



Passengers carried on urban, interurban transit systems (millions)

Sales of manufactured and natural gas in billions cu. ft.

How Will Expansion React on Stocks?

Here Are Factors to Watch in Utilities as Investments

By JAMES H. JOYCE

Will future growth and possible rate increases offset increased operating costs?

That was the major question Canadian investors were asking this year as they studied the prospects for utility company stocks.

Their appraisal in the past year is indicated by the market action of the stocks. Since mid-June, 1949, when the market generally started its upward rise, DBS security price index for all stocks has gone up 29.1%. Price of utility stocks has gone up only 23.6%.

However, when the utilities' index is broken down it shows a revealing divergence in the percentage price increases. Transportation stocks are up 50.6%, reflecting partly the rate increases granted. Power and traction utility companies are up 25.1% Telegraph and telephone companies are up only 1.5%, reflecting mainly the current earnings trend of Bell Telephone Co. of Canada and the uncertainties surrounding its application for an increase in telephone rates.

Against this short-term background is the fact that prices of utility company stocks generally show more stability than the average during periods of stock market uncertainty. This makes them attractive to investors looking for stability plus liberal income.

What are the plus and minus signs for the future:

Favorable factors:

(1) Long-term growth trend and prospects.

(2) Possibility cost may not continue to rise as rapidly as in the past few years.

(3) New plants, expanded facilities, etc., will add to sales volume.

(4) Replacement of old equipment should contribute to more economic and more efficient operation.

(5) Past record of many companies.

(6) Relative stability.

(7) Yields obtainable.

(8) For some companies, rate increases.

Unfavorable factors:

(1) Continual rise of costs.

(2) Fixed rate structures and the difficulty and time required to obtain rate increases.

(3) Cost of large-scale financing for expansion programs.

(4) Declining trend in rate of return for some companies.

(5) Possibility of business slowdown.

(6) Fear of government ownership.

In considering any stock, each individual situation should be examined closely for all the above and any special factors.

The long-term outlook generally appears favorable for most groups. Business of all utility companies, greatly expanded during the war, has continued to grow in the postwar period, contrary to general expectation.

A major factor has been Canada's population growth. The 1941 census showed 11.5 million population. Now it's estimated at 13.7 millions, and growing at the rate of 25,000 a month.

Total consumption of both primary and secondary power in Canada was 4.7% greater in 1949 than in 1948 and up 19.8% from 1945. Over these years, and even yet, the growth in consumption has been limited by amount of power capable of being produced. The upward trend is still evident this year with consumption for the first two months up 11.2% over the same 1949 period.

Sales of gas in 1949 were 26.6% higher than in 1945 and were up 4.7% in 1949 over 1948. Sales of natural gas show over 3½ times the percentage increase of sales of manufactured gas over the period (37.9% vs. 10.5%). Growth in gas sales is expected to continue in view of the new developments in Western Canada and also in Southwestern Ontario.

Many unfilled orders for telephone service and for upgrading of existing service are being held up mainly on account of equipment shortages. This promises further growth for this industry, although number of telephones in use at the end of 1949 was at a new peak.

Both CPR and CNR reported gross earnings at a record level in 1949. While CPR's net showed some improvement it was "substantially below the requirements found reasonable by the Board of Transport Commissioners." In the case of CNR the increased revenue was more than offset by further large increases in labor and material costs.

Continual rise of costs, particularly for new capital projects or replacements and for wages, is one of the main unfavorable factors not only for the railroads but for all utilities.

Strong public resistance to any upward revision of utility rate structures makes rising costs squeeze profit margins. This is well illustrated by the difficulties Canadian railroads experienced in obtaining freight rate increases; by the current experience of Bell Telephone Co. of Canada whose application for a rate increase, made last fall, is still under consideration; and by British Columbia Telephone Co. which has not yet received a decision on its application made last summer, the hearing on which was finished last January.

Rapid growth, welcome in itself, provided another depressing factor for the securities of certain utilities. The large amount of new financing with which they have been or still are faced has meant an increase in depreciation charges and in fixed charges and/or in the amount of stock outstanding. This means they must earn more to give the same per-share earnings. Yet there is bound to be a time lag before the new plant, etc., can possibly begin to contribute to earnings, so that the new debt charges or additional stock issued may mean, temporarily at least, lower current earnings per share.

The effect of these two factors—higher capital investment and rising costs—is a trend to a lower return on invested capital.

Another factor affecting the current market value of stocks of utilities, as indeed of all stocks, is the uncertainty in the minds of investors as to the extent to which a decline in general business might affect both backlogs and current demand for service of utilities.

The possibility of government ownership is another important factor which investors constantly have to assess. Currently the chief market interest here is centred in Montreal and the Montreal Tramways Co. situation, and in Manitoba and the Winnipeg Electric Co. situation. In British Columbia, Quebec (outside of the Tramways situation), and Alberta, agitation for government ownership appears to have died down, but still remains a background factor.

The net profit of 22 electrical utilities increased 19.0% from 1945 to 1948 (latest figure available) according to the Bank of Canada's Statistical Summary. For six telephone utilities, net profit was up 24.5% in the same period. A considerable variation in the trend of net profits was seen in 1949 as between the various companies (see tables on page 30).

A price record of the companies mentioned together with a price record for International Utilities Corp., which is currently attracting much interest in view of the fact that the operations of its subsidiaries are in the Province of Alberta, shows in the accompanying table.

Company:	1946 High $	1946 Low $	1949 High $	1949 Low $	1950 High $	1950 Low $	1950 Recent $	1949 Earned $	1949 Paid $	1949 Yield %
Bell Telephone*	54	42½	43⅝	38¾	41½	39⅜	41⅛	1.20	2.00	4.86
Shawinigan W. & P.	26½	20	25¾	22½	25¾	23¾	24¾	1.43	1.20	4.85
B. C. Power "A"	35	25	28¾	24¾	30	27½	29½	1.86	1.60	5.42
Brazilian Traction	30⅜	20¼	21¼	17⅛	23⅞	19	23⅜	4.50†	2.00	8.56
Can. Northern Power	14½	9	12½	8½	12½	11	11¼	0.62	0.60	5.33
Consumers' Gas	188½	156½	164	148½	165	160½	164	8.00	8.00	4.88
C.P.R.	24⅝	12½	18	11⅞	19	16¼	18	1.93	1.25	6.94
Internat. Power	60	42	59¾	43	55	46	54⅞	6.07‡	...	...
Internat. Utilities	18⅝	10½	22⅛	13¼	23⅞	19⅜	21⅝	1.82	1.00	4.62
Winnipeg Electric	21⅝	10	38	27	42¼	33½	40½	2.53	1.40	3.46

*Adjusted for stock split. †Preliminary figure. ‡For 1948.

Power Development Programs Continue in B.C.

Population, Industry Growth Sustain Postwar Expansion

From less than 2,000 million kilowatt hours in 1938, power use in British Columbia rose to 2,750 million in 1945. Then, to meet postwar expansion demand it spurted to well over 3,500 million kilowatt hours.

Last year in the West Coast province, private and public agencies together brought into production more than about 180,000 hp.

B. C. Electric Co. alone this year is spending $17 millions on electricity production and service expansion. The provincial government agency, B. C. Power Commission also is continuing a multimillion dollar construction program.

Major factors in B. C.'s big rise electrically: mushrooming population (a gain of over 40% in the last 10 years, easily a record among Canadian provinces); emergence of secondary industries in substantial numbers and individual size; diversification and growth of primary industries and their satellite operations; rural electrification; almost general community expansion, housing and commercial construction.

Projected power expansion — either definitely committed or covered by blueprints or preliminary plans—runs close to $700 millions for the early 1950's, H. L. Purdy of B. C. Electric Co. told the recent official conference on resources development in Victoria.

More than 9% of the nation's hydro-electric output is being generated today in British Columbia where production recently topped 1 million hp from 78 plants.

Known and accessible potential represents more than one quarter of the national total. Between six and ten million latent horsepower is located in streams and falls already surveyed as the lower cost industrial power of tomorrow. This, in many cases is distributed regionally at points where major industries and new communities might quickly follow power construction crews.

The Nechako River, 100 miles south of Prince Rupert, is one example. There, Aluminum Co. of Canada currently is spending $1 million in engineering studies in a long term look toward possible later spending of $500 millions on power and aluminum plants and a new town.

B. C. Electric

British Columbia Electric Co. is a subsidiary of B. C. Power Corp. With its subsidiaries it controls the most extensive system of public utility services in B. C. A group of subsidiaries generate electrical energy, and the company and another subsidiary manufacture and distribute gas. The company owns power developments and hydro-electric power sites on the lower mainland, at Bridge River, and on Vancouver Island, with total installed capacity of 494,516 hp and an estimated ultimate capacity of 1,123,850 hp.

It owns three gas undertakings, two in Vancouver supplying Vancouver, North Vancouver, New Westminster, and adjoining districts and one in Victoria (operated by Victoria Gas Co.) supplying Victoria, districts of Oak Bay and Esquimault. A new carburetted water gas plant was opened in August, 1947, at Vancouver, with a daily capacity of 4.5 million cu. ft. A second unit was placed in service December, 1948.

Capitalization of the company at March 10, 1950 (after giving effect to the new $20 million bond issue) consisted of $95,401,000 of funded debt; $12 million 4% preferred shares and $14 million 4¾% preferred shares; 1,240,000 class "A" shares; one million class "B" shares. This does not include the funded debt and capital stock of subsidiaries.

(See also B. C. Power Corp.)

B. C. Electric Rwy.

British Columbia Electric Railway Co. supplies electric railway transportation and electric light and power to the southwestern portions of B. C. and Vancouver Island, including Vancouver, North Vancouver, New Westminster, Stevenson, Victoria, Burnaby and Chilliwack. The area covers over 1,500 sq. miles and serves about 705,000 people.

The company and its subsidiaries operate 266 miles of electric railway lines, of which 103 miles are city car lines and 163 miles are interurban. Urban bus services are operated over 253 miles; interurban bus services, 608 miles from Vancouver and New Westminster to points throughout the lower mainland, as well as to Seattle, Wash. Motor freight services are operated in the Fraser Valley, the equipment including 490 passenger, express and freight cars, 489 motor buses, 16 motor freight trucks, 80 trolley coaches and 15 electric locomotives.

(See also British Columbia Electric Co. and British Columbia Power Corp.)

B. C. Power Comm.

British Columbia Power Commission, appointed April 17, 1945, started actual operations in August, 1945, with acquisition of five electrical properties serving 11,906 customers.

By November, 1949, number of customers had more than tripled (36,500); $31,421,500 had been invested in plant; 21 generating plants and 350 miles of transmission line had been acquired or built.

First major undertaking of the Commission was the Campbell River development and the transmission system from the Campbell River to Nanaimo and Port Alberni. This, known as the John Hart Development, is now capable of producing 112,000 hp. Although this is considerably more than it can market at the present, expectations are that demand will catch up before too long.

Work on its second big project, on the Arrow Lakes near Needles in the southern interior, is going ahead and is scheduled for completion in 1951. Initially it will produce 25,000 kva for delivery to the Okanagan and Kamloops areas and ultimately output will be doubled.

Third major scheme is a $1 million hydro plant to serve the Sechelt area, announced in January 1950. This district, situated across Howe Sound from the Vancouver area, has a growing population and has had no hydro power system until now.

When a $7 million bond issue was sold in October 1949 by the Commission, revenue estimates were presented for the year ending March 31, 1950. These estimates showed a total revenue of $3,105,000 ($2,550,263 in the previous year) and, after expenses of $3,025,000 ($2,512,960) a net operating surplus of $80,000 ($37,303).

Sales of electrical energy were estimated at 136 million kwh, as against 110,561,732 in 1948-49.

B. C. Power Corp.

British Columbia Power Corp., a holding company, controls through subsidiaries an extensive system of public services in B. C. Its only directly owned subsidiary, B. C. Electric, controls seven other public utilities.

Highlight of 1949 operations were the continued huge outlays on capital account by B. C. Electric. Although off slightly from the all-time peak of $31.6 millions spent in 1948, the year saw $29.9 millions spent for electric extensions, hydro-electric development, etc.

Biggest item was the $9.7 millions spent on completion of the second and third units at Bridge River, each with a 45,000 kilowatt capacity. Export of power from this development to Northwestern U. S. started in July.

Other projects: electric extensions on the mainland and Vancouver, costing $5 millions and connecting 13,265 more customers; 12 new coke ovens finished at Vancouver and 12 others rebuilt; $4.1 millions spent on substation and local transmission system in Greater Vancouver and the Fraser Valley; trolley buses and coaches added at a cost of $3.2 millions. The double circuit transmission line from Victoria to Nanaimo is well under way and is scheduled for completion by September of this year.

Further substantial switch from streetcar to bus and bus to trolley coach was effected in Vancouver. At the year-end, the proportions of streetcar, bus and trolley coach route mileages were 35%, 35% and 30% respectively.

Financing this huge program was done partly by the issue of additional securities. B. C. Electric floated a bond and a preferred stock issue, while B. C. Power sold 240,000 class "A" shares.

The current year marks the continuance of a downtrend in capital expenditures which is expected to last for the next several years. Even so, some $23 millions are to be spent—$17 millions electric, $0.8 millions gas and $5.5 millions on transportation. Already, B. C. Electric has sold a $6 millions issue of preferred stock and $20 millions of bonds.

The third unit at Ruskin, adding 47,000 hp, is slated for completion in October. Rebuilding and expansion of the first stage at Buntzen, to add about 40,000 hp, is to get under way for completion in 1951.

Some idea of the extent of the expansion program carried out in the last few years can be seen from figures for the one-hour peak load for the Lower Mainland System, exclusive of export. This showed 279,000 kw on Dec. 19, more than double the 1939 figure and 11% above 1948.

Due mainly to a water shortage early in the year, consolidated net profit for 1949 dropped 11.5% to $2,303,258. Gross revenues were up 7.4%, kilowatt hours sold 16.08% and cubic ft. of gas sold 5.98%. Passengers carried and railway freight tonnage each fell slightly. Operating expenses increased 6.2%.

Number of customers at the year end was up 13,116 from 1948. Average annual consumption rose to 1,977 kwh from 1,812.

In October, the company was granted a new 20-year franchise by New Westminster. Rate increases for railways and for transportation in the Greater Victoria area, and interim increases in Vancouver, were granted during the year.

East Kootenay

East Kootenay Power Co. generates and distributes hydro-electric energy throughout the southeastern section of British Columbia and the southwestern part of Alberta. It supplies light and power to the whole of Southern East Kootenay from the boundary to Cranbrook, especially the towns of Fernie, Hosmer, Cranbrooke, Elko, Bull River and Wardner, B.C.; also to various coal mines in the Crow's Nest Pass district and to the Kimberley concentrator of Consolidated Mining & Smelting Co. of Canada.

Generating plants include a 15,000 hp plant at Elko on the Elk River, one of 7,200 hp on the Bull River and a 13,000 hp steam plant at Hillcrest in the Crow's Nest Pass district.

Annual report for the year ended March 31, 1950 is not yet available. However, the year ended March 31, 1949, showed a very sharp improvement. In that period gross revenues jumped 29.3% to $1,053,149 and despite an even greater 40.8% rise in operating expenses, net profit was more than 2.5 times the previous year—$74,745 as against $29,254.

Power output for the year totaled 138,997,900 kwh, up substantially from 121,907,640 shown in 1947-48. The company's electric output varies according to the degree of activity in the coal mining industry and within the metal mining industry as it affects the mine output of lead and zinc. In 1948-49, hydro generation was down about 5% with a consequent increase of 138% in steam plant generation.

A rural distribution line of 10 miles from Fernie to Hosmer, B.C., with a small substation was built during the year.

New rate schedules went into effect in 1949 which should further increase the company's revenue.

Elk Creek Water

Elk Creek Waterworks Co. owns and operates under franchise the waterworks system in the Fraser Valley, B. C., serving the city of Chilliwack, municipality of Chilliwack, Rosedale, Sardis and adjoining district. About 138 miles of water mains now serve 3,745 customers.

Source of water supply are the streams known as Elk, Dunville and Nevin Creeks. Its reservoir has a capacity of two million gallons. Additional water is available from other sources if required.

Total revenue in 1949 increased to $100,204, from $91,356 in 1948, and net profit rose to $16,506 ($15,549).

Capitalization at the year end consisted of $340,500 4½% first mortgage bonds; $100,000 5½% sinking fund debentures; and 53,810 n.v.p. common shares.

Nanaimo-Duncan

Nanaimo-Duncan Utilities Ltd.'s electric properties were taken over by B. C. Power Commission in August, 1945.

At the time of expropriation, a report by the American Appraisal Co. suggested compensation of $1,874,633, with interest at 6%. B.C. Power Commission contested this award, contending the compensation should be $1,600,000 without interest. Although its appeal was dismissed by the B. C. Supreme and Appeal courts in November, 1947, on the grounds that notice of appeal was not given by the Commission within 30 days, leave was later granted to appeal to the Privy Council.

The appeal to the Privy Council was heard in August and September 1948. Lawyers of this and two other companies met with judge in April, 1949, to argue legal aspects of the case. In February, 1950 the award of the Appeal Court in connection with the expropriated properties was given as $4.7 million. It was stated that the question of interest and costs was to be the subject of a written submission to be made shortly.

The Commission, up to June 30, 1947, paid $1,105,000 on account of the claim and this was used by the company to redeem bonds and preferred stock and to retire mortgages.

No annual report has been issued since June, 1947.

West Can. Hydro

West Canadian Hydro-Electric Corp. and subsidiaries formerly operated electrical properties, including an 8,000 hp hydro-electric plant at Shuswap, B.C. In July, 1945, these properties were taken over by the B. C. Government. Control of two subsidiaries, Okanagan Telephone Co. and Elk Creek Waterworks Co. was transferred to West Canadian Hydro-Electric Corp. preferred shareholders under an exchange plan approved by shareholders in December, 1947. Other assets, worth about $50,000, and the balance due on claims against B. C. Power Commission, were left to common shareholders, subject to the company's liabilities.

The expropriated properties were appraised in September, 1946 at $3,462,020 by government valuators but this estimate was not accepted by B. C. Power Commission, which contended that $2.7 million was adequate compensation. Early in 1947 the government approved an advance against compensation to be determined. This amount, along with $435,000 of a bank loan, was enough to retire the bonds and debentures of West Canadian and Pacific Water & Power.

In February, 1950, four and a half years after the properties were expropriated, a judgment was finally given. It awards $3,289,700 for the properties as follows: market value $2,850,000; premium on bonds $71,930; severance damages $25,000; re-organization expense $42,264; liquidation expense $9,950; 10% for compulsory taking, $285,000; prepaid expense $5,556.

In July 1949 the company reported that it had a small cash balance, owed its bankers nothing and was only awaiting settlement for its properties to complete voluntary liquidation and make a final cash distribution to its common shareholders. No final liquidation plans have been announced by the company since publication of the award.

West Kootenay

West Kootenay Power & Light Co. owns and operates two hydro-electric plants and, with its subsidiaries, distributes electric power for domestic, industrial and mining purposes within a radius of 150 miles from Rossland in Southern British Columbia. Company is controlled by Consolidated Mining & Smelting Co.

With the installation in 1949 of a third 800 hp unit in the Goat River plant, total installed capacity of the company was raised to 72,300 hp. Of this, No. 1 plant (lower Bonnington) has three units totaling 70,400. The new addition proved of great assistance in meeting increased demand during the period of normal river flow.

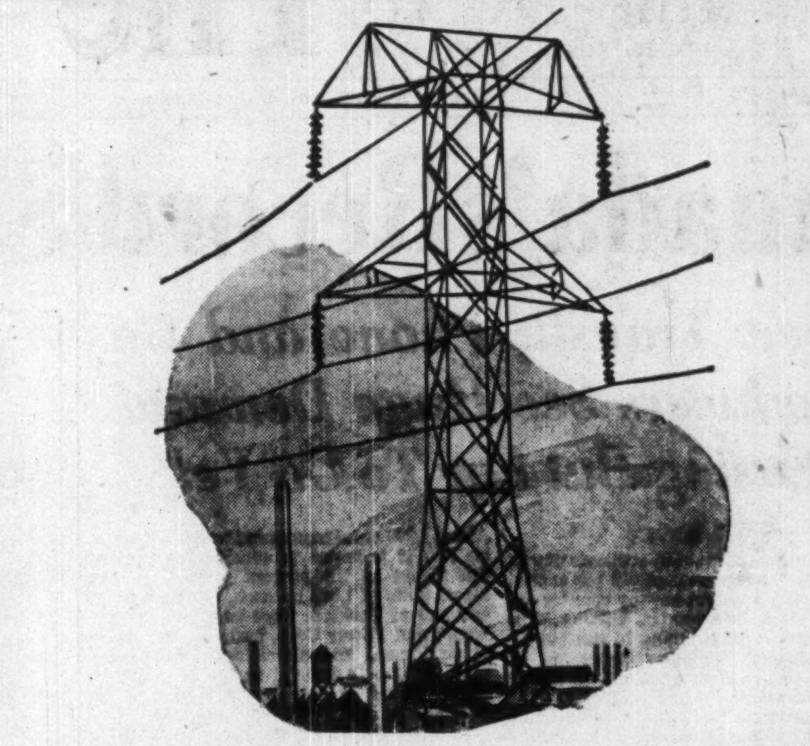
Peak demand hit 1,135 kilowatts, as against 736 in 1948. This abnormal load increase led the company to install three 100 kilowatt diesel generating units, for service in the low flow period. More auxiliary diesel units may have to be bought to cope with increasing demand until another source of hydro-electric energy is available for the area. A survey disclosed that it was not possible to deliver Kootenay River power to the Creston area, but alternatives are being actively investigated.

A total of 4,516 kva in distribution transformer capacity was added to the system, 51 miles of pole line extension were completed and 15 miles of new distribution circuits were strung on existing poles.

Increasing demand in the Okanagan area means that a major expansion program will be undertaken and completed by the end of the year.

Total power generated in 1949 was 342,453,865 kwh, compared with 332,982,860 in 1948. Net profit rose to $751,666 from $727,157. Customers served were up 2,190 to 24,571. The Kelowna area continued to show the biggest increase in numbers and load demand.

Joint application of the company and Consolidated Mining & Smelting Co. for another two feet of storage in Kootenay Lake was approved by International Joint Commission.



Canadian Utilities Limited
Is Right in Step with Alberta's Future

Serving a steadily increasing number of Alberta oil wells and oilfields, extending electrical services to more and more rural areas, increasing capacity and building new plants to meet the steady growth of the communities it serves, Canadian Utilities Limited is not only successfully meeting the heavy electrical demands of today, but has already established and will continue to increase the power reserves for sound and continued expansion through the years ahead.

CANADIAN UTILITIES LIMITED
HEAD OFFICE — EDMONTON, ALBERTA

Record $8,900,000 Spent
For 'Phone Expansion
In B. C. in 1949

The greatest expansion and improvement program in the history of the B. C. Telephone Company and associated companies operating in B. C. was carried out in 1949.

A record total of $8,900,000 was spent in the 12-month period on the installation of new central office and outside plant equipment and on buildings, in various parts of the territory.

Here are some of the highlights of 1949 operations:

- More cable placed than in any other single year.
- Record average business day calling—up from 1,281,000 in 1948 to 1,350,000 in 1949.
- Record total of filed long distance calls—up from 5,893,946 in 1948 to 6,238,995 in 1949.
- Second-largest telephone gain in the system's history—18,940 new instruments installed.
- Major manual switchboard additions made to 20 exchanges.
- Over 12,000 new lines of automatic equipment put in service.
- A total of 25 building projects started or completed.

BRITISH COLUMBIA TELEPHONE COMPANY

COME AND GET IT

abundant low cost power

Within the last two years, the B.C. Electric has doubled its capacity to supply the Lower Mainland of British Columbia with cheap electricity. An abundant supply of low cost power is one more good reason for business moving to B.C.

B.C. Electric

PLENTY OF POWER FOR NEW INDUSTRY

Cost Squeeze Affects Transit Systems

Higher Rates in Effect or Pending in Many Communities

Confounding forecasts of most transportation experts, activity in urban and interurban transportation systems continued at a high level through 1949 and into the first quarter of 1950. So far no indication has appeared of any important slump in travel tempo.

Total number of passengers carried by the nation's street cars, motor buses and trolley coaches in 1949 was again over the 1.6 billion mark, practically on a par with 1948. Booming traffic conditions was in line with a continued high level of industrial activity and employment and despite a still rising trend in automobile travel.

Highlight of the transportation business during the last year has been the increasing cost squeeze being exerted on more and more urban and inter-urban companies and the steadily increasing demands for fare increases. Toronto, Montreal, Vancouver, Quebec City, Winnipeg, Ottawa and Hamilton are just a few of the larger Canadian cities caught between higher operating costs and fixed fares. All of them were either planning or have already had to apply for upward revision in fares. Total revenue, reflecting this country-wide demand for fare increases, was up over 10% in December as compared with December, 1948. A higher revenue trend is continuing into 1950. Gray Coach Lines, Toronto, has recently set what will likely be a pattern with Ontario inter-urban bus firms, by boosting rates 5%.

The nation-wide swing away from streetcars to trolley coaches, gas and diesel equipment continues. There is hardly a Canadian city with a population of 75,000 and over that has not either installed or is planning to install trolley coaches in the near future. Greater mobility, better service and lower operating costs are the big factors in the swing to trolley coaches. Illustrating the trend, Vancouver hopes to place in service 88 more trolley coaches this year and 24 gas buses.

Reflecting the high level of bus transportation and the increasing swing from streetcar to bus, there are now some nine bus manufacturing companies either in production or about to go into production in Canada as against none in 1945. Since the beginning of 1950 four bus firms have announced intention of early operation.

Nearly every transit company was able to get on with long deferred expansion and improvement programs during the year. Sizeable programs of track repair, plant and terminal construction is currently being carried on by many of the larger companies. In Toronto, construction on the nation's first subway transportation system is pushing along six weeks ahead of schedule.

Mtl. Tramways

Montreal Tramways Co. owns and operates tramway, autobus and trolley bus transportation systems covering all of Montreal, suburbs on Montreal Island and throughout Longueuil on the south shore. The company is controlled by United Securities Ltd. through ownership of a majority of the stock. United Securities Ltd., in turn, is controlled jointly by Quebec Hydro-Electric Commission and Shawinigan Water & Power Co.

The company wholly owns Montreal Street Railway Co. and its two subsidiaries, Montreal Park & Island Railway Co. and Montreal Terminal Railway Co. It operates under a contract with the City of Montreal, the terms of which are administered by Montreal Tramways Commission.

In April of this year, a bill was passed by the Quebec Legislature empowering the City of Montreal to take over the company's system and set up the "Montreal Transportation Commission." Detailed procedure is laid down for determining the amount to be paid for the properties, including negotiation between the commission and security holders, and the establishment of a board of arbitration. Any agreement between security holders and the commission would be subject to the City Council's approval, as would any judgment of the Arbitration Board. The Quebec Municipal Commission may also be called upon, its decision to be final.

In 1949, a net loss of $896,869 was sustained by the company, against one of $842,415 in 1948. Although increased fares were finally authorized, after a discussion lasting almost two years, they did not come into effect until October 1, 1949 and their effect on revenues was therefore only felt in the last three months of the year. Number of revenue passengers carried dropped 2,184,503 to 396,087,032. Operating revenue totaled $26,364,013, up from 1948's $24,743,633.

Negotiations with the two unions within the company resulted, in June, in a decision of the two Councils of Arbitration requiring the company to pay a cost of living bonus to employees, retroactive to Oct. 1, 1948 and from July 1, 1949, on. To December 31, 1949 the total paid under this decision amounted to $1,557,644.

Labor agreements with the two unions expired on June 30 and, although agreement has been reached on some clauses of the new proposed agreement, union demands for a 29.8% increase in wages, involving more than $5 million annually, were not granted and are currently being investigated by Councils of Arbitration. No decision has been rendered.

Ottawa Elec.

Ottawa Electric Railway Co. was wound up on June 4, 1949, by a special Act of Parliament, and its assets transferred to the City of Ottawa. Liquidators were appointed and so far a distribution of $40 per share has been made to common stockholders.

A $6,300,685 cheque, the full sale price, was received from the city in August and, of this, $5,631,520 was used to make the initial distribution. The balance of the assets are expected to provide for about another $6 a share, bringing the total liquidating value to about $46 a share.

T. T. C.

Passenger traffic on the city system of the Toronto Transportation Commission hit another all-time high in 1949. Street cars, buses and trolley coaches carried a total of 313,764,372 passengers, an increase of .84% from 1948's 311,155,973.

In addition, there were 7,641,656 passengers on the city's four special bus routes, an increase of 5.9% from 1948.

The Commission concludes that the general level of prosperity and industrial and business activity in Toronto is at a very high level, possibly the greatest in history.

To keep pace with this tremendous growth in business the Commission has spent approximately $27 million, in the four years since the war, for new equipment and facilities. A total of $17 millions have been spent on acquisition of 270 coaches, 153 buses, 85 trolley coaches and 200 street cars; about $5 millions for garages, substations, other buildings, new track construction and other equipment; and around $5 millions, to the end of 1949, on the new Rapid Transit Project.

Construction on the Rapid Transit System started in September 1949 and is moving along rapidly. The first 1½ miles of the $55 millions 4½ mile project is due to be finished about March 1951 and tenders have already

(Continued on page 36)

Telegraph and Radio

Can. Marconi

Canadian Marconi Co. manufactures radio equipment for every type of service, furnishes equipment on a rental basis to commercial operators and operates radio telephone and telegraph communications systems. Types of service for which equipment is supplied include police, aircraft, forestry, broadcasting stations, point-to-point communications and many other fields.

The company operates a broadcasting station, CFCF, and short wave complement CFCX, at Montreal. The new 3,000-watt frequency modulation station, CFCM, was brought into operation in 1948, but not until 1949 was permission given to program the FM and AM stations separately. Arrangements are now being made to put the new station on a self-supporting basis.

Beam wireless stations for communication with the British Post Office and with Australia are located at Drummondville and Yamachiche, Que. At Rimouski, the company operates a radio telephone transmitter with other points on the Gulf of St. Lawrence. The company also administers stations in Newfoundland and Labrador.

All external telecommunication services of the company are expected to be nationalized. Although the company has not yet been approached by the government on this issue, a bill to establish the "Canadian Overseas Telecommunication Corp." was passed by Parliament in November, 1949, and has received Royal Assent. Amount the company will get for its properties is not yet known. Provision is made in the bill for taking over services between Newfoundland and the rest of Canada as well as services to the U. K. and Australia and will affect one of about five main operating sections of the company.

Over-all operations in 1949 resulted in a net profit of $26,656, against a loss of $338,971 in 1948. In the manufacturing end, total sales were up about 30%, with radio receivers, mobile radio telephones, piezo-electric quartz crystals, group radio systems and radio accessories and equipment all registering increases. Broadcasting revenues were about 25% higher. A considerable amount of equipment for nuclear research was delivered to the National Research Council. Television receivers were put on sale in those parts of Ontario where U. S. programs can be received and television picture tubes were produced, for the first time in this country for the commercial market.

At the year end there was on hand a greater volume of business than at any time since the end of the war.

The marine division continued making a substantial contribution to revenue. At Dec. 31, 600 ship-to-shore radio - telephones were in service. It is planned to bring a substantial amount of Marconi marine radar equipment into service during 1950.

A big effort was made to dispose of all slowly moving stocks and obsolete items. A large volume was sold, requiring an inventory adjustment of $461,800; $400,000 of this was charged to inventory reserve.

Mtl. Telegraph

Montreal Telegraph Co. owns, under perpetual franchise, about 22,000 miles of wire, operated and maintained by the Great North Western Telegraph Co. of Canada (controlled by the Government of Canada and operated under the name "Canadian National Telegraphs" since 1921). Operation and maintenance is guaranteed under a 97-year agreement, dating from July 1, 1881, by Western Union Telegraph Co., which also guarantees payment of dividends. Territory served is chiefly Ontario and Quebec, and parts of Nova Scotia, New Brunswick, Northern New York, Vermont, Maine, New Hampshire and Michigan.

Annual payment from Great North Western Telegraph Co. is $165,000 and accounts for almost all revenues received.

In 1939 the Province of Quebec brought an action against the company on a claim for taxes prior to 1938, amounting to $38,376. The Supreme Court of Canada dismissed the suit with costs in 1945. In 1942, Quebec entered a claim against the company for taxes for 1939, 1940 and 1941 totaling $26,518, based on an amendment of the Quebec Corporation Tax Act of April 28, 1939. The province, in 1945, assessed the company for profit taxes from 1932 to 1940 inclusive, amounting to $41,014 plus 5% interest. In 1949 this assessment was settled by payment of $83,617 including interest. The company contends that any taxes due the province are the responsibility of the Great North Western Telegraph Co. or its operating sucessor and legal proceedings are being instituted for recovery of the sum paid to the province.

Total revenue for 1949 was $170,230 ($170,109 in 1948) and net profit amounted to $5,664 ($4,579).

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One dependable source of supply
One responsibility for all materials
One high standard of quality

For complete information on the equipment best suited to your particular requirements, see Crane 49 Catalogue literature, or consult your Crane Branch.

FLICKING on a light, turning on an electric stove, the consumer never doubts that power will be there. Day or night, a whole nation takes for granted the work of men who keep the turbine-generators humming. Such confidence in central light and power stations is well deserved. Nowhere is piping equipment chosen with greater care.

Crane is in a good position to know this. Canada's power engineers and Crane have been working together through all the modern developments in power plant piping.

With this background of experience, Crane today serves electric power plants, as it does all other industries, with unsurpassed facilities for supplying *quality* piping materials for every need.

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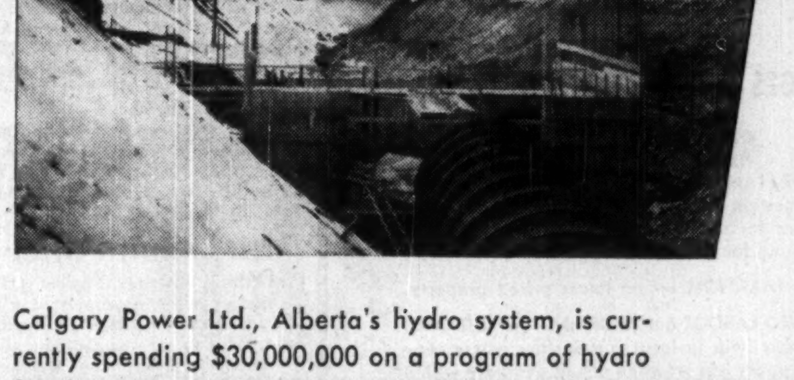
For Power Expansion In Alberta

$30,000,000

Capital Expenditure by Calgary Power Ltd.



Calgary Power Ltd., Alberta's hydro system, is currently spending $30,000,000 on a program of hydro development, transmission lines, substations and distribution system throughout the Province. The program which started last year will be completed in 1954. It will double the Company's investment in the system as well as its generating capacity. Through this program Calgary Power Ltd. is setting a new pace for the development of Alberta's resources and the expansion of Alberta's industries. In addition the Company is conducting an extensive rural electrification program that will electrify 3,000 more farms per year.

PHOTO above shows forms for cement foundation of Three Sisters plant, and portion of penstock which will carry water from the 190,000 acre-feet Spray Lakes Reservoir.

PROGRAM *for Progress*

100,000 h.p. additional capacity for:

Oil well pumping
Pipeline pumping
Oil refineries
Chemical production
Cement industry
General expansion of domestic, commercial and small industries throughout the Province.
Farm Electrification.

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STEEL — IRON AND BRASS CASTINGS
FOR MARINE — AGRICULTURE AND INDUSTRY GENERALLY

The latest development from our Iron Foundry is the manufacture of BRAKEDRUMS for Buses and Heavy Duty Trucks, as shown in above illustration. All SUMNER IRON CASTINGS are from the famous SORBO-MAT formulae which fits the casting to the Job thus ensuring "Customer Satisfaction."

The above group of SUMNER STEEL CASTINGS is indicative of the wide variety of castings we are called upon to make. Left to Right—Steel Roll for a Roll Case conveying logs from one part of the mill to another; Part of a "Clam-Shell" for a Marine Dredger; Cover for the drive of an all Steel Roll Case; A driving Pinion.

THIRTY-FIVE YEARS OF FOUNDRY PRACTICE HAVE GIVEN US THE NECESSARY FOUNDRY KNOW-HOW TO MEET ANY CASTING PROBLEM — WHETHER IT BE STEEL, IRON OR BRASS. RECENTLY OUR FOUNDRY WAS CALLED UPON TO PRODUCE A MARINE CASTING WEIGHING 2400 POUNDS — THIS WAS DELIVERED WITHIN THREE DAYS AS THE SHIP CONCERNED WAS DUE TO SAIL — IF YOU HAVE A CASTING PROBLEM JUST CALL "SUMNER".

Canadian SUMNER IRON WORKS LIMITED
3550 EAST BROADWAY VANCOUVER, CANADA

Here's Quebec Program to Add Power

Beauharnois and Trenche Developments Still Under Way

The Province of Quebec has over half Canada's total installed hydro-electric generating capacity, and is currently going ahead on projects which by the end of 1952, will add nearly 700,000 hp to its present 6.1 million hp total.

Two of these projects—Quebec Hydro's No. 2 development at Beauharnois and Shawinigan Water & Power Co.'s Trenche development—have an ultimate combined potential alone of nearly one million hp.

In 1949, a total of 190,900 hp was added to the province's installations. Shawinigan completed its second and third units of 65,000 hp each at its new No. 3 development at Shawinigan Falls; Quebec Hydro 16,000 hp at its Rapid VII plant on the Upper Ottawa; Gatineau Power 27,000 hp at its Bryson plant on the Ottawa; Northern Quebec Power 10,000 hp on the Quinze River; Ogilvie Flour Mills 3,200 hp on the Lachine canal; Municipality of Jonquiere 4,200 hp on the Au Sable River.

This year, Northern Quebec Power expects to complete installation of a new 34,500 hp unit at its Quinze River plant. Other plant installations under construction of a smaller nature include Electrique de Mont Laurier on the Lievre River 2,700 hp; Pembroke Electric Light Co., Black River, 3,000 hp; City of Riviere du Loup, 1,800 hp.

First production from Shawinigan's Trenche and Beauharnois No. 2 is expected next year, with completion of their current projects (325,000 hp and 315,000 hp, respectively) due in 1952. Another large development is also in the offing on the Peribonka River in the Saguenay area where Aluminum Co. of Canada is contemplating construction of a 400,000—500,000 hp project, first stage of which calls for a new $25 million 200,000 hp installation.

Beauharnois

Beauharnois Light, Heat & Power Co.'s properties were expropriated by the Quebec Government April 15, 1944 and have been controlled by Quebec Hydro-Electric Commission since that time. Since March, 1948, intermittent hearings have been held by a board of arbitration set up to determine the indemnity to be paid minority shareholders for their interest in the company.

According to present indications, it may be early autumn before final submissions are placed before the board and a decision can be brought down. Case was completed, other than the final pleas, about a month ago. Shareholders' plea must be in by May 20, but Quebec Hydro's answer to the plea may not be available until September, it's understood.

Beauharnois LH&P has development rights on all unclaimed water power resources on the St. Lawrence River between Lake St. Francis and Lake St. Louis, near Montreal. In addition to its present 742,000-hp. installation, construction is going ahead on a 600,000-hp. No. 2 development. First three units of 55,000 hp. each are expected to come into operation in 1951, with three more in 1952.

Control of a majority of Beauharnois shares is held by Quebec Hydro through acquisition of Montreal LH&P shares in 1947. Beauharnois funded debt became an obligation of the commission on expropriation. In May, 1946, Commission had offered $72,260,486 (including 10% for forcible take) for company's assets, against which were debts and charges totaling $79,380,150. Offer was turned down by shareholders and question was eventually referred to the arbitration board.

Minority shareholders claimed that compensation should be based on capitalization of the revenue earned by the company when it was taken over by Hydro, but the board ruled against this motion in January, 1949. Evidence since that time has been concerned with evaluating individual assets.

Of funded debt formerly outstanding, $39,995,900 4½% first mortgage bonds were redeemed March 1, 1947. Quebec Hydro paid off $6 millions of $18 millions 5% 20-year notes, and took over the remaining $12 millions, all held by Montreal LH&P, when it took over that company in 1947.

Can. Northern

Canada Northern Power Corp. through its subsidiary, Northern Quebec Power Co., serves an important mining area in Northern Quebec, including the gold producing districts of Rouyn, Cadillac, Malartic, Dubuisson, Duparquet, Bourlamaque and Pascalis and the towns of Ville Marie, Noranda, Rouyn and Val d'Or.

Construction work on the big extension to the Quinze River power plant is well under way. When finished, the capacity at that plant will total about 84,500 h.p. It is presently around 50,000 h.p., up 10,000 h.p. from 1948 due to an increase in the head.

Power demand in 1949 jumped 29% with output rising from 295,824,896 killowatt hours to 382,539,772. Number of customers was 974 higher at the year end, bringing the total to 11,303.

New contracts were made, adding Quesabe Mines and Beacon Mining Co. to the company's list of mining property customers, and transmission lines connecting them have been completed. A five-year franchise was entered into with the municipality of Evain, covering the installation and operation of a street lighting system there.

Gross revenues at $2,434,971 were up 19% from 1948 but net profit fell from $298,268 to $247,673 (62c. a share as against 75c.). Dividends on the common stock were 60c. a share. Working capital was $447,703 compared with $479,163.

Cost of power is as low as any organization furnishing similar service on the continent, it is stated. Profit per kilowatt hour is estimated at 63 one-hundredths of a cent — 51 one-hundredths after deducting taxes.

Canadian L & P

Canadian Light & Power Co. shareholders, in June, 1949, approved sale of the company's assets to Quebec Hydro-Electric Commission. Included in the deal were its immovable property and rights, including its power plant at St. Timothee, its transmission lines and physical assets generally as existing July 1, 1949. Purchase price was enough to repay the outstanding 5% bonds due July 1, $2,519,700.

The company is now being wound up. In October, an initial distribution of $20 a share was made and final distribution is to come after settlement with federal and provincial taxing authorities. Estimated shareholders' equity at Dec. 31, after providing for expenses, was $172,155 or about $5.17 a share.

Operations in 1949 showed a net profit of $8,080, against $32,414 in 1948. Total income was $21,500 compared with $485,859.

Gatineau Power

Gatineau Power Co. generates, distributes and sells hydro-electric energy in Eastern Canada. Chief customers are the Ontario Hydro-Electric Power Commission (which provided 33% of total operating revenue in 1948) and Canadian International Paper Co.

International Hydro-Electric System, which controls the company and is now in liquidation, plans selling at least $5 million of its holdings of Gatineau common stock. Negotiations are still under way.

The company owns and operates 18 generating plants with a total designed capacity of 818,319 h.p. Installed capacity was 749,634 h.p. at the end of 1948 and this was boosted 27,000 h.p. in 1949 with completion of the new generating unit in the Bryson plant. Also finished was the regulating dam in the Rocher Fendu channel and both were brought into operation ahead of schedule. This addition to power supply sources was more than enough to provide for the increased demands of retail customers but it was necessary to cut deliveries of wholesale power somewhat.

During the year, 260 miles of new pole lines were erected, 120 miles of distribution lines added to existing poles, a new office building erected at Ste. Adele, and new or additional transformer capacity added at Ste. Agathe, Bryson, Dorion, Hull, Ste. Julienne and Lacolle. The 12-mile 110,000-volt circuit from Ste. Adele to Ste. Agathe was placed in operation.

Prospects for 1950 suggest both urban and rural demand will mean distribution extensions, greater capacity of existing transmission lines and increases in transformer equipment, together with new sources of power supply. Negotiations are proceeding and plans being prepared for a transmission line to connect with the power plants of Quebec Hydro at Cedars and Beauharnois.

Total output for the year, including small amounts of purchased power, was 3,072,495,940 kwh, compared with 2,864,239,400 in 1948. Consolidated peak load in 1949 was 748,713 h.p. compared with 707,775 in 1948.

Total operating revenue increased to $12,735,265 from $11,575,046 and net profits rose to $3,176,340 from $2,892,647. This was due to better water conditions and the additional power supply from the Bryson plant.

Maclaren-Quebec

Maclaren-Quebec Power Co. operates two hydro-electric generating plants, one at High Falls some 28 miles north of Buckingham, Que., the other at Masson, three miles below Buckingham. The High Falls plant has an installed capacity of 115,000 h.p. and the Masson plant 130,000 h.p. Investigations into the possibility of further storage areas for water in the upper Lievre watershed, to be used for hydro-electric purposes as and when required are almost completed.

Power sales are under contract to the Ontario Hydro-Electric Power Commission at the rate of 185,000 h.p., at $12.50 per h.p. per year, and to the James Maclaren Co. at the rate of 66,000 h.p., 60,000 at $8 per h.p. per year, if available, and 6,000 h.p. at $20 per year.

All the outstanding common stock of the company is held by Maclaren Power & Paper Co. Funded debt consists of $14,228,000 3% sinking fund bonds due 1969 and $3,325,000 3% serial bonds due 1950-56.

Power sales of $2,385,913 in the year ended Nov. 30, 1949, were down from the previous year's $2,546,151. Net profit dropped to $316,723 from $427,148.

Mtl. Island Power

Montreal Island Power Co. properties were expropriated by the Province of Quebec in April, 1944, and control was subsequently taken over by the Quebec Hydro-Electric Commission. The commission offered $7,942,000 (including 10% for forcible taking), in May, 1946, for the expropriated assets. Shareholders later turned down the offer.

Determination of a valuation for the expropriated assets of Montreal Island Power is in the hands of an arbitration court which began hearings early in 1948. No decision has been reached thus far, however.

Outstanding $9,065,000 in 5½% first mortgage bonds, series A, of Montreal Island Power, at date of expropriation (now the obligation of Quebec Hydro-Electric Commission), have been progressively reduced. The commission redeemed $100,500 Nov. 1, 1944, $100,500 in 1945, $112,000 in 1946 and $116,000 in 1947. In February, 1948, commission gave notice that it would purchase in Canadian funds all or any of the 5½% bonds submitted before April 1, 1948, at 101 and interest to May 1, 1948. At Dec. 31, 1949, outstanding bonds totaled $8,631,500 of which $6,931,000 were held by the commission. Quebec Hydro also held 8,622 of 10,000 outstanding $100 par preferred shares and 68,582 of 75,000 outstanding common.

Saguenay Power

Saguenay Power Co. operates one of the largest hydro-electric generating stations in North America, known as the Isle Maligne station. Controlled by Aluminium Ltd., it serves industry in the districts surrounding Lake St. John and the Saguenay River. Chief customers are Aluminum Co. of Canada, Price Bros. & Co. and Shawinigan Water & Power Co.

Company's subsidiaries are: Saguenay Electric Co., distributing electrical energy to some 52 communities in Quebec; Saguenay Transmission Co., transmitting power from the generating station of the parent company to its destination, except that supplied to Price Bros. and Shawinigan Water & Power; Alma & Jonquieres Railway Co., operating a standard gauge steam railway from Isle Maligne plant to Saguenay Power Junction.

Gross revenue in 1949 fell $378,000 from 1948 but this was more than offset by lower power purchases and net operating revenues therefore showed an increase of $173,000. Higher interest charges and a $186,000 boost in income taxes cut net profit to $1,428,079 from $1,479,356 in 1948. Consolidated accounts for the first time include Saguenay Electric.

Extensions for rural electrification by Saguenay Electric Co. provided a large portion of the $1,057,000 increase in fixed plant.

Working capital dropped $868,000 to $1,374,111 and funded debt at $27.3 millions was down $950,000.

St. Maurice Pwr.

St. Maurice Power Corp. owns a water-power site and hydro-electric plant at La Tuque on the St. Maurice River, Que. Control of the company is held jointly by Shawinigan Water & Power Co. and Brown Corp. and Shawinigan operates the generating plant, under an agreement extending to 1970, as part of the Shawinigan hydro-electric system. Expenses are borne by the corporation.

The generating plant has an installed turbine capacity of 222,500 h.p. Ultimate capacity is 267,000 h.p. Both Shawinigan and Brown Corp. have agreed to buy power from the company, under contracts extending to 1971.

River flow on the St. Maurice is regarded as one of the best-regulated in Canada and offers exceptionally favorable conditions for power development. The La Tuque installation, in common with other plants on the St. Maurice, is subject to the river flow regulations effected by the Quebec Streams Commission through its operation of the Gouin reservoir at La Loutre on the Upper St. Lawrence River.

In 1948, the latest figure available, reduced revenues and increased expenses cut both operating and net profits. Revenue from power sales at $1,823,658 was off slightly more than $100,000. Expenses were $694,986, up slightly more than $100,000. The result was a drop in net profit from $320,266 to $222,893. Dividends were paid for the years ended Dec. 31, 1947, and 1948, totaling $2 a share or $200,000.

Shawinigan W & P

Shawinigan Water & Power Co. produces and distributes electric power in Quebec and is one of the largest companies of its kind in the world. It has a substantial stock interest in other public utility companies and, through a wholly owned subsidiary, manufactures industrial chemicals.

Total developed power of the company alone amounts to 1,093,100 h.p. and when the present huge expansion program is completed, this figure will be raised to 1,403,200 — nearly 60% above 1946. Spurred by the great number of new industries being set up in its territory and the increased demands for power from existing customers, big strides were made toward the goal in 1949, when a record $25,795,000 was spent — $15,532,000 on the big Trenche development, the high-voltage transmission line to carry power from that development to the Trois Rivieres Terminal Station and additions to the Terminal itself. Construction there is well ahead of schedule with the first unit slated for operation by July, 1951, instead of November. The transmission line between Trois Rivieres and Trenche was finished as far as La Tuque and the remaining section will be completed in 1950. This is the biggest undertaking still under way by the company.

Also finished was the No. 3 generating station at Shawinigan Falls, with three generating units having a total capacity of 195,000 h.p. Completion required $2,606,000 in 1949. A high voltage line is being built to Sorel to supply Quebec Iron & Titanium Corp. A total of 1,210 miles of rural line were built. As the territory approaches complete electrification there will be a reduction in the lines required but, it is stated, it is difficult to justify economically extension to many areas because of the high construction cost and the low number of prospective customers per mile of line.

The big program, now 2/3 completed, will continue in 1950, with about $26 millions estimated, but is due to slacken off in 1951 when $12 millions is called for.

Financing these outlays was done partly by the issue of $15 million 3% bonds and $5 million 4½% preferred shares. Another $5 millions of the preferred was sold in February, 1950.

Two important contracts were written during the year: one to purchase from Hydro-Quebec up to 100,000 h.p. of secondary power and; beginning in November of next year, firm power of from 10,000 to 50,000 h.p.; the other for sale to Southern Canada Power of firm power up to 155,000 h.p.

Although revenues have increased substantially, they are not expected to reap the full benefit of the expansion program until some time after it is completed. Total kilowatt hours sold were up slightly at $5,964,221,000 and gross revenue from power sales rose 4.4% to $25,880,023. Operating expenses increased 6.6%, however, and as income from other sources stayed about the same, net profit fell 7.7% to $3,923,129. Figures for the first quarter of 1950 show gross revenues nearly 7% higher than in 1949 and net profits up slightly.

Continued cost increases led the company to apply for an increase in rates. An interim increase, calculated to increase gross revenues by about $500,000 a year, was granted in December and further studies will be made with a view to establishing a "fair and reasonable return" on Investment.

Although hit by the long asbestos strike, power requirements of industrial customers showed a general growth.

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This treasure from the past serves Alberta so well today because Free Enterprise has made it abundant, and good gas service has made it dependable and economical.

NORTHWESTERN UTILITIES, LTD.
Head Office, Edmonton

CAPITAL construction program for 1950 will total $4,000,000. It will be the largest in the Company's history. Included will be new wells, new transmission lines to Fort Saskatchewan and from Devon to Edmonton. Also general enlargement of facilities. The Company will add some 4,600 new consumers this year to bring its total to almost 42,000.

CANADIAN WESTERN NATURAL GAS COMPANY, LTD.
Head Office, Calgary

CAPITAL construction program for 1950 will include drilling of two new wells and miscellaneous improvements to the transmission system and extension of distributing system to serve new areas. Total expenditures will be in the neighborhood of $2,000,000. Plans include service to 3,000 new customers, bringing the Company's total to over 43,000.

Increase in Primary Power Use Shows Quebec Industry Growth

As Quebec power producers continued to add to their hydro-electric generating capacity output of both primary and secondary power showed an increase in 1949.

Total output was up nearly one billion kilowatt hours above 1948 (25.6 billion vs 24.6 billion), an increase of 4%. Of this, 4.8 billions was sold to other provinces and 650 millions in the U. S. Consumption within the province was 2.2 billion kwh (19.2 billion in 1948) 18.1 billion (17.7 billion) primary and 2.1 billion (1.5 billion) secondary.

In the early part of the year, output was restricted to some degree by low water conditions, but this situation improved and full deliveries were resumed in February.

Extent of the growth of primary power sales in the postwar period is illustrated by provincial consumption figures. Total consumption since 1945 has risen only 2.8 billion kwh, but consumption of primary power increased from 12.3 billion kwh to 18.1 billions—a gain of nearly 50%.

Sales of primary power are at rates above those for secondary power, and this sharp increase has added materially to revenues of the producing companies. It also reflects the growth of industry in Quebec and the extension of electrical service through the rural districts.

Progress continued in linking the various power producing systems. Construction of a transmission line from Chambly to St. Cesaire made possible deliveries of power direct from Quebec Hydro's Beauharnois development to Southern Canada Power's system. Gatineau Power is also negotiating with Quebec Hydro to arrange a similar interconnection.

Low'r St. Lawrence

Lower St. Lawrence Power Co. develops hydro-electric power at Grand Metis Falls, Que., which it distributes to the town of Rimouski and 76 other communities in the vicinity, embracing a population of over 130,000. Power is supplied in bulk to Campbellton, N.B., under a contract whereby the town receives power up to 2,400 h.p., paying $40,000 for the first 1,100 h.p. and $25 per h.p. for all additional power.

Two hydro-electric power developments on the Metis River, with a total capacity of 18,800 h.p. are owned. Recent surveys show that a new power site and a new storage reservoir can be built on the Metis, to take care of power requirements of territory served for many years to come.

In 1949, power sales passed the $1 million mark for the first time, totaling $1,027,847. Number of meters in service rose from 16,326 to 18,179. These achievements were partly reflected in net profit, which increased from $161,716 to $178,491, despite higher costs.

Since 1940, the company has spent $4.2 millions on additions to electric plant. These outlays were financed by the issue of $3,480,000 of bonds, of which $1 million were issued in 1949, and by the use of retained profits.

The new high figures of 1949 and the results of the past decade stem from economic development of the whole area served by the company as well as the big expansion program. Yearly average consumption of power has risen from 337 kwh in 1940 to 614 in 1949.

Sales of energy broken down show 45.2% to residential customers, 24.6% commercial, 17.0% industrial, 6.9% Town of Campbellton and 6.3% others. A slightly different picture is given in a breakdown by kilowatt hours sold. This shows residential 26.7%, commercial 20.6%, industrial 18.9%, Town of Campbellton 24.8% and others 9%.

Quebec Hydro

Quebec Hydro-Electric Commission was established April 15, 1944, and following expropriation of assets of Montreal Light, Heat & Power Consolidated, Beauharnois Light, Heat & Power Co., and Montreal Island Power Co., took over operation of the plants formerly owned by these companies.

Properties owned by the Commission are: development on the Riviere des Prairies (Black River), a tributary of the Ottawa River (formerly Montreal Island Power Co.); one on the St. Lawrence River, between Lake St. Francis and Lake St. Louis, approximately 25 miles above the City of Montreal (formerly Beauharnois LH&P) and six others formerly operated by Montreal LH&P Cons.

The Commission has also acquired the Rapide VII plant, the Lake Dozois storage dam and the Rapide I power site, all on the Upper Ottawa River. The Rapide VII installation and the dam had been operated by Hydro for the provincial government, and were sold to Hydro late last year for $19 millions.

Payment for the Montreal Power properties was settled with the purchase in 1947 of the company's shares at $25 a share, but compensation to be paid for the Montreal Island Power and Beauharnois assets is still before arbitration boards for settlement.

Installed capacity at the Beauharnois No. 1 plant is 742,000 hp. Under construction is a further development of 300,000 hp at its Beauharnois No. 2 plant. This project, which will have an eventual capacity of 600,000 hp will have its first three units of 55,000 hp each in operation next year, and the next three in 1952.

A fourth unit of 16,000 hp was installed at its Rapide VII plant in 1949, and field surveys were conducted for development at Rapide I, farther down the Ottawa.

Quebec Power

Quebec Power Co. owns and operates hydro-electric generating plants, a gas plant, street railway system and an electric railway supplying the City of Quebec and district. Its subsidiary, Quebec Railway, Light & Power Co., runs a bus system in the city and suburbs of Quebec and an electric railway from Quebec City to St. Anne de Beaupré. Control of the company is held by Shawinigan Water & Power Co.

Acceleration of business activity in the area served and a marked increase in average annual consumption per customer were reflected in 1949's total power sales of 393,745,969 kwh, up 8.2%. Sales of electricity to residential, farm, commercial and municipal consumers increased 13.1%, while those to industrial and other power customers rose 6.4%. Average annual consumption of electricity by domestic consumers was 1,450 kwh., almost double 1940's 760 kwh.

Total gas sales remained about the same as in 1948, despite a somewhat smaller number of customers. An increase in gas rates was authorized in June and revenues are now more than enough to cover operating expenses. Gross revenue from all sources was $6,378,075, up $603,821 from 1948 and, although operating expenses were also higher, net profit increased to $675,106 from $632,763.

The subsidiary, Quebec Railway, Light & Power Co., did not fare so well, registering a deficit of $332,398. Caught in a squeeze (gross revenues were up only 1.2% while operating expenses were 9.6% higher) the company applied for, and received in October, an interim rate increase. Decision of the Transportation Board on an application for a permanent revision of rates is expected soon. The year marked the first full operating year of the urban transportation system since conversion from streetcars to buses.

Capital expenditures continued high, showing a total of $1,390,930. The second high-voltage transmission line to the Donohue Bros. pulp and paper mill at Clermont was completed and most of the remainder was spent on additions to the transmission and distribution systems. Peak load at the year end was 136,005 h.p., up 9.1%. A total of 111 miles of new distribution lines were built and 4,749 new electric customers connected. Seventy miles of distribution lines were acquired from Shawinigan Water & Power Co. The subsidiary spent only $92,930 during the year, off sharply from 1948, when over $1 million, including the cost of 45 new buses, was spent.

Average annual consumption of electricity by domestic consumers was 1,450 kwh., almost double 1940's 760 kwh.

S. Canada Power

Southern Canada Power Co. supplies, directly or through subsidiaries, electric light and power to over 60,000 customers in municipalities and districts in Southern Quebec between the St. Lawrence River and the International boundary line. It also maintains a chain of 24 retail stores selling electrical equipment, has six power plants with an installed capacity of 58,950 h.p. and has undeveloped power sites with an estimated capacity of 133,250 h.p.

Power Corp. of Canada has a substantial interest in the company and management of the two companies is the same.

Many previous records were cracked in the year ended Sept. 30, 1949. Gross revenues pushed past the $5 million figure for the first time, rising to $5,173,544 from $4,404,761 in the previous year. Power output jumped 8.94% to 385,992,700 kwh and number of customers served increased to 60,143 from 55,888. Sales of merchandise fell slightly to $1,008,754. Net profit for the period hit an all-time high of $1,007,382, up 16.2%. These boosts in revenue are evidently continuing as an interim report, issued for the three months ended Dec. 31, 1949, shows a gross figure of $1,405,687, against $1,292,877 a year earlier.

Power contracts were concluded in 1949 with Shawinigan Water & Power Co. and Quebec Hydro, whereby power resources of the St. Maurice and St. Lawrence Rivers were made available for distribution in the Eastern Townships and adjoining territory.

Capital expenditures totaled $2,134,508 and included extensive engineering activities in company's generation, transmission and distribution facilities. Work is going ahead on a 110,000-volt transmission line to bring power through the St. Cesaire substation from the St. Lawrence and the St. Maurice to central and easterly areas of the Eastern Townships. The 48,000-volt transmission line from St. Cesaire to Granby has been completed and construction is well advanced on a 48,000-volt line from Iberville high-tension switching centre to Henryville and on a similar line to connect Cowansville and Bedford. A total of 289 miles of rural lines were completed, serving 1,451 more customers.

Financing the program was done by issue, on Dec. 1, 1948, of $2.5 millions 3½% first mortgage bonds.

An application for a rate increase was forecast in a letter to shareholders in January, 1950, when it was stated that costs have risen enormously in recent years and that the company must have sufficient earnings to keep up with rapid technological developments; otherwise service would be impaired and progress retarded. The letter also stated that the new power line connecting the company's system with Beauharnois, built by Shawinigan and Hydro Quebec, has been brought into service at St. Cesaire.

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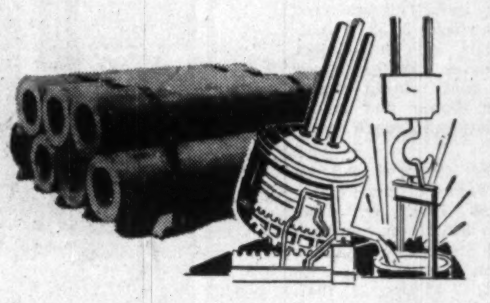
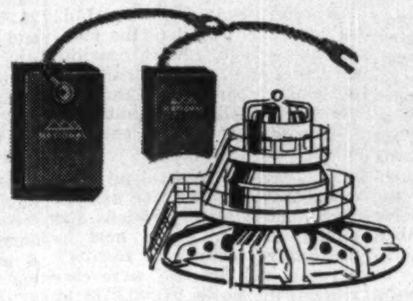
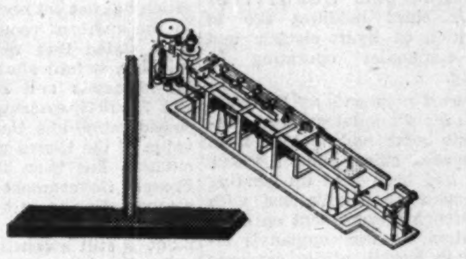
IN INDUSTRY



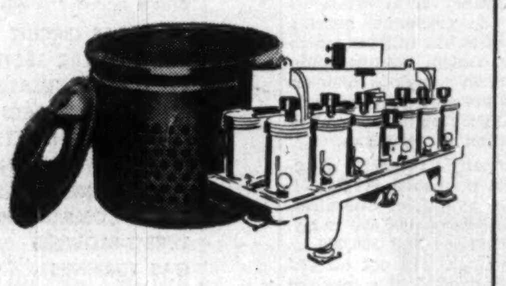
"Acheson" Graphite and "National" Carbon Nipple Jointed Electrodes for Electric Arc Smelting and Refining Furnaces



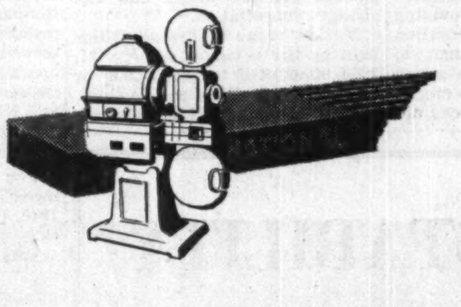
"National" Carbon Brushes for Hydro Electric Generators



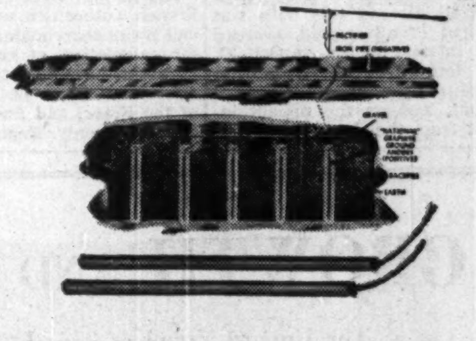
"Acheson" Graphite Electrolytic Anodes for Production of Metals and Chemicals by Electrolysis



"National" Graphite Parts for Mercury Arc Rectifiers



"National" Arc Carbons for Motion Picture Projection, Searchlights, Photo-Engraving, etc.



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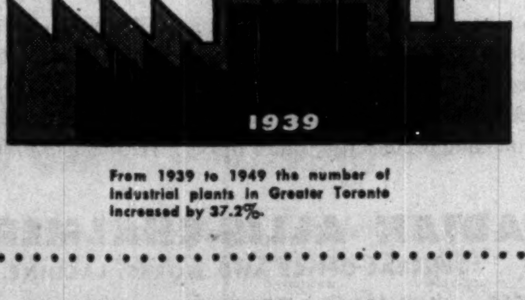
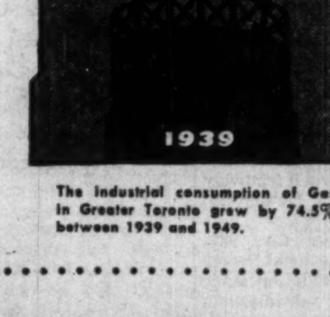


From 1939 to 1949 the number of industrial plants in Greater Toronto increased by 37.2%.



The industrial consumption of Gas in Greater Toronto grew by 74.5% between 1939 and 1949.

Toronto's amazing growth stems from so many factors—its strategic location—unique transportation facilities—electric power—far-seeing civic administration—and GAS . . . always in ample supply . . . unfailing for more than 100 years. Yes, the growth in the use of Gas by industry is even greater than the expansion in the number of factories. In the past ten years, factories in Greater Toronto have increased by 37.2%; industrial Gas consumption by 74.5%. Plans, now in the making, assure Toronto's industrialists and Toronto's home owners of ever-widening, ever-improving service by their Gas Company.

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"SPEEDIE FLAME"

THE CONSUMERS' GAS COMPANY OF TORONTO

Exchange Problems Hit Holding Co.'s

Liquidation Proceedings Before Some Canadian Companies

Operating companies in which Canadian public utility companies hold an interest generally experienced a year of expansion 1949.

A number of the Canadian holding companies have liquidation problems on their hands. Foreign Power Securities and others with interests where conversion of currencies into Canadian dollars is a problem continued to face difficulties on the currency angles.

For. Power Sec.

Foreign Power Securities Corp.'s chief holdings are in securities of hydro-electric and gas companies operating in France.

Interest payments on the company's 6% 1st collateral trust convertible bonds had, in 1949, been in arrears since June 1, 1940. They had been held up pending settlement of negotiations with the French Government on compensation for the company's interest in French utility concerns nationalized June 1, 1946.

On June 1, 1949, these bonds became due. Bondholders agreed to accept 50%, $842,250, of the principal amount, with the balance to become due June 1, 1954. Deferred also to this date was payment of all unpaid, accrued bond interest which, at Oct. 31, 1949, totaled $1,264,470. Interest at 6% on the unpaid principal amount, and on the unpaid interest from the date it was due, is also to be paid by June 1, 1954.

Dividends on the preferred stock have not been paid since 1932 and arrears totaled $105 a share at Oct. 31, 1949.

French securities, carried on the books at $7,320,087, are of companies engaged principally in the production and distribution of electricity and gas, industries which were nationalized in 1946. Compensation for the net assets taken over was to be through the issue of 3% Participating Bonds by the "Caisse Nationale de l'Energie."

Exact amount of the compensation has not yet been calculated. In the auditors' report, however, it is stated that the bonds receivable, before allowing for retained assets and converted at Oct. 31, 1949, exchange rates, are considerably less than the book value of the shares held. Representation has been made to the French Government to receive compensation in cash rather than bonds. Decision of the government is still awaited.

Pending issue of the new bonds, "Caisse Nationale de l'Energie" is making interest distributions on account and this has been included in the company's revenue statement.

Agreements were concluded by French authorities with Belgian and Swiss shareholders providing for calculation of compensation at a fixed rate of exchange, to offset the effect of devaluation of the Franc, and for the export of interest only. Negotiations are under way for Canadian shareholders.

Operations for the year ended Oct. 31, 1949, showed improvement, with a net profit of $35,368 recorded, against a loss of $98,225 in the previous year.

Total investments of $8,301,895 had an estimated market value of $2,527,458 at Oct. 31. Canadian securities, carried at $968,693, had a market value of $495,294.

H. E. Securities

Hydro-Electric Securities Ltd., an investment trust of the management type, holds mainly securities of U. S. and British industrial corporations. Other investments include a number of public utility, government and mining securities.

At Dec. 31, 1948, about 50% of its investments were held in U. S. industrial corporations and public utilities. Assets held in previously occupied territory (French and Belgian) were carried on the books at $811,795 at the end of the year, including investments of $800,803, which had quoted market value, expressed in Canadian currency, of $526,489. A reserve of $423,088 was set up in 1947 to provide against possible losses and exchange depreciation.

Market value of the securities held by the company at Dec. 31, 1948, amounted to $16,233,959 or $3,431,980 less than book value.

Total income for 1948 increased to $711,768, against $652,208 in the previous year, after deducting taxes and charges. Of the total, 79% was received from dollar sources and 21% from sterling and other sources. Net profit was up from $578,892 to $625,704. Regular dividends on the preferred stock of 50c. a share have been paid since 1928. On the common stock, 20c. a share was paid.

Breakdown of investments showed U. S., British and other government bonds 21.06%; U. S. public utility bonds and shares 20.83%; U. S. industrial preferred and common shares 30.59%; British industrials, oil and rubber common shares 12.59%; base metal and gold mining shares 5.36%; other bonds and shares 6.43%; Belgian and French securities 3.14%.

Equity per share, based on liquidation value of marketable securities at Dec. 31, 1948, amounted to $26.21 on the class B preferred stock and $7.21 on the common, compared with $27.42 and $7.77 at Dec. 31, 1947.

H. E. Bond & Share

Hydro-Electric Bond & Share Corp., formed under Quebec laws in 1927, operates as an investment trust and public utility company. Policy is to invest its resources in revenue-bearing securities of public utilities which operate or control essential public services in populous districts and which are sufficiently widely distributed geographically to offer diversification of securities.

The company's financial statement is not published. At Jan. 1, 1945, (latest available) capitalization consisted of 600,000 n.p.v. shares authorized and 200,000 issued. The stock was not offered publicly. Funded debt comprised an authorized issue of $12 million income debentures, due 1967, $1,940,000 outstanding at the last report.

Int. Utilities

International Utilities Corp.'s principal holdings constitute controlling interest in two natural gas utility companies, Northwestern Utilities Ltd. and Canadian Western Natural Gas Co., the largest of their kind in Canada, and in an electric utility, Canadian Utilities Ltd., all of which operate in Alberta. In addition, the corporation manages an extensive investment account.

New records were chalked up in many fields in 1949. Gas sold climbed to 35,321,904 m.c.f., from 32,574,640 in 1948. Electricity sold increased sharply to 53,286,245 kwh from 30,212,255. Number of customers at the year end totaled 95,818 (84,929), biggest gain being shown by Northwestern Utilities. Consolidated net profit jumped 7.4% to $1,429,815.

Each of the subsidiaries showed gains. The two gas companies, which distribute in southern and central Alberta, have been sparked in the last few years by the sharply increased activity generated by the oil and gas discoveries. The electric company operates in eastern and northern Alberta and, while this is not within the territory of the major gas and oil developments, further discoveries, such as Stettler in 1949, are expected to have an important effect on development of the area served.

All were actively engaged in expansion programs in 1949, spending a total of over $8 millions. Canadian Utilities' expansion is now practically complete, but it will spend another $800,000 in 1950, while the two gas companies figure on an additional $6.1 millions. A project that may cost over $75 millions to complete is to receive the support of Northwestern Utilities and Canadian Western Natural Gas. This is a natural gas gathering system to be built by Alberta Inter-Field Gas Lines. Purpose is to gather gas from widely scattered producers and deliver it to the gas distributors and export pipe lines (if export permits are granted).

Bank loan indebtedness of the parent company was cut during the year from $2.1 millions to $980,000, principally due to liquidation of investment securities. These dropped from $2,258,137 to $1,289,678 (not including investments in subsidiaries).

About 18% of the outstanding 2,365,000 common shares of Anglo-Canadian Oil Co. is owned by the three operating subsidiaries.

(See also Northwestern Utilities, Canadian Western Natural Gas Co. and Canadian Utilities.)

Int. Power Co.

International Power Co., a public utility holding company, controls public utility properties in Bolivia, British Guiana, Salvador and Venezuela. The subsidiaries operate public and private lighting, power and telephone services in about 50 communities, all served without competition.

In March, 1949 its subsidiary Newfoundland Light Ltd. sold its controlling interest in Newfoundland Light & Power Co. which owns and operates electric lighting, power and tramway services of St. John's, Newfoundland.

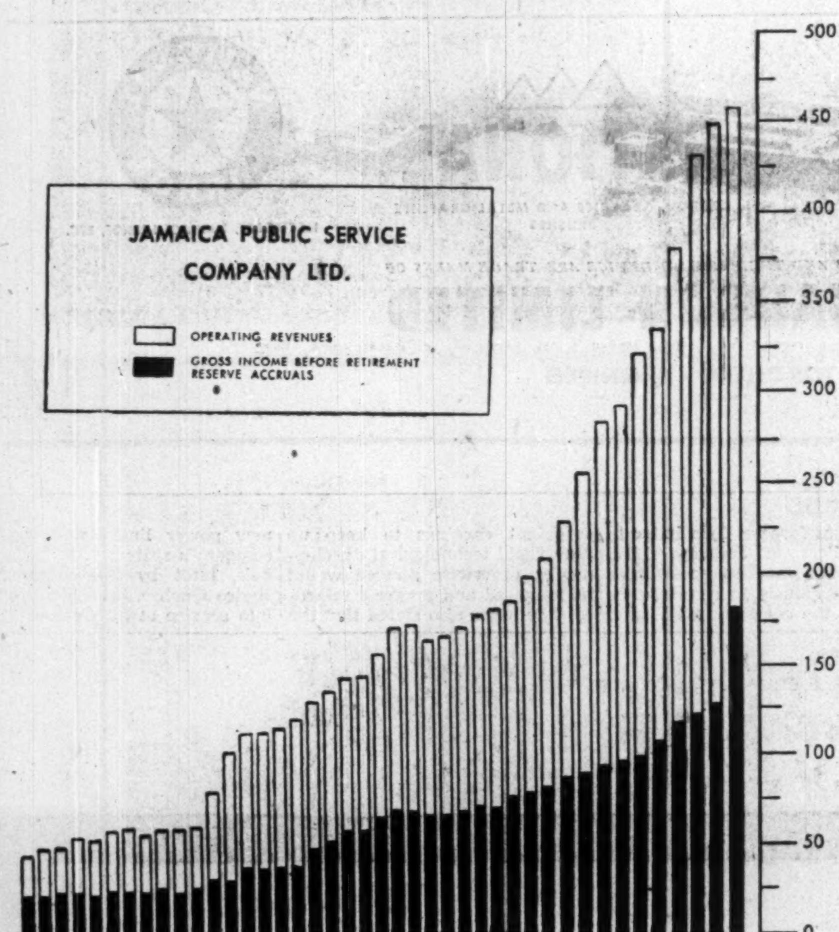
Porto Rico Power Co., 98% controlled by International Power Co., has been in liquidation since sale of its operating subsidiary to the Puerto Rican Government in 1941. Some distributions to shareholders have been made, the latest in Jan., 1948. Whether there will be a final distribution before the company's affairs are wound up may not be known for some months.

Consolidated 1948 net profit (the latest available) amounted to $2,051,498, up 22.8% from $1,670,658 in 1947. However, the 1948 figure includes $363,133 cumula-

(Continued on page 35)

GROWTH AND STABILITY

The Upward Trend of This Utility's Business is Shown in the Following Chart:



CAPITALIZATION — APRIL 30, 1950

JAMAICA PUBLIC SERVICE LIMITED
(Parent Company)

	Outstanding in Hands of Public
	Shares
Capital Stock, no par value	135,000
JAMAICA PUBLIC SERVICE COMPANY, LIMITED (Operating Subsidiary)	
Preferred Shares:	
7% Cumulative, $100 par value	3,581
"B" 7% Cumulative, £1 par value	66,370
"C" and "D" 5% Cumulative, £1 par value	545,960
	Amount
Long-Term Debt:	
3½% First Mortgage Sinking Fund Registered Debenture stock, Series "D" and "E" due July 15, 1971	£771,500

Jamaica Public Service Company Limited provides electric light and power for Kingston, Jamaica's principal city, and 15 other towns in various parts of the Island, as well as for extensive rural territory where electric power is used for irrigation pumping and other purposes.

The company operates, in addition to steam and diesel plants, three hydro plants and has started construction on a fourth hydro plant. The hydro plants located on the north shore of the Island transmit power to the Kingston area on the south shore through a cross-island transmission line.

The company also conducts an ice business in Montego Bay and Port Antonio.

Jamaica Public Service Limited, a Canadian company, owns all of the ordinary and certain of the Preference shares of Jamaica Public Service Company, Limited.

Dividends on all classes of Jamaica Public Service Company, Limited Preference Shares have been paid regularly since their issuance. Quarterly dividends on the Capital Stock of the Canadian Company were inaugurated on October 1, 1930, at an annual rate equivalent to 33 1/3 cents per share on the presently outstanding stock, which rate has gradually been increased to the present annual rate of $1.00 per share.

Jamaica Public Service Limited
AND
Jamaica Public Service Company Limited
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JAMAICA, B.W.I.

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BROWN BOVERI
RECTIFIERS
AIR-BLAST CIRCUIT-BREAKERS
VOLTAGE REGULATORS

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- MERCURY-ARC RECTIFIERS
- VOLTAGE REGULATORS
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- LOAD DISCONNECTS
- RELAYS, SYNCHRONIZERS, Etc.
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- GAS TURBINES
- VELOX BOILERS
- ELECTRIC BOILERS

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Kirkland Lake, Ontario

Gordon Russell Ltd.
Vancouver

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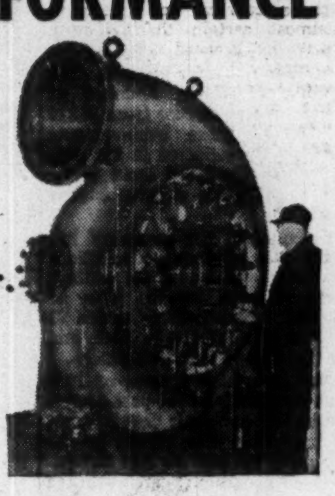
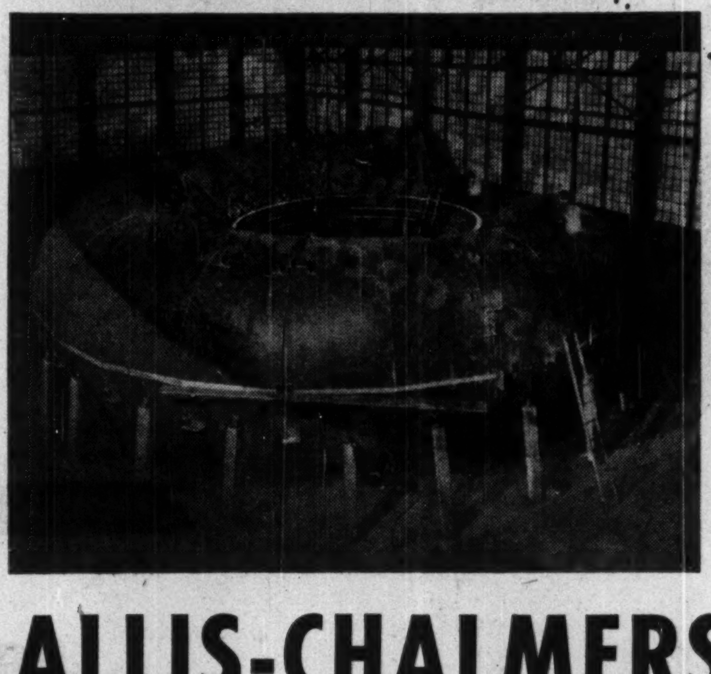


to the LARGEST



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- ✓ World record for efficiency confirmed by Gibson test (94.5% at Shipshaw).
- ✓ Canada's most powerful turbines (over 100,000 hp Shipshaw).
- ✓ Canada's largest turbines in physical dimensions (now being built for Beauharnois).
- ✓ Turbine operating on lowest head (less than 5 feet at Bobcageon).
- ✓ Turbines operating at heads ranging from less than 5 feet to 700 feet.

ALLIS-CHALMERS HYDRAULIC TURBINES

Experience gained in building turbines for Canada's largest and smallest hydro-electric power plants enables Allis-Chalmers to offer equipment engineered to the highest standards of performance and efficiency.

Allis-Chalmers hydraulic turbines are designed specifically for your requirements. Each enquiry receives the utmost attention from our Engineering Department to ensure maximum efficiency, quiet operation and absolute dependability.

Whether your project is large or small, our *forty-five years of experience* in supplying water wheels of all types — Impulse, Francis, fixed or adjustable blade propeller — to Canadian industry, is your assurance of the high quality of our products.

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CANADIAN ALLIS-CHALMERS LIMITED
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80-CAC-4

Alberta Boom Brings Record Natural Gas Sales

Expansion, Export Programs Forecast Big Year in Industry

Impact of rapid oil development in Alberta and growing population in and around Calgary and Edmonton helped boost gas sales to new record peaks in 1949 despite an unusually mild winter.

Total consumption of natural and manufactured gas amounted to a record 72,670,817 mcf up 4.7% from the previous year. Most of the increase, however, took place in Alberta, and in natural gas consumption which was up 6.7%.

Revenue from total gas sales of $46,412,245 — up 9.3% — reflected for the first time the upward adjustment in gas rates in both western and eastern utility companies.

The two big Alberta natural gas companies—Canadian Western Natural Gas and Northwestern Utilities Ltd.—together, account for half the total gas sold in Canada. Officials of these companies look for a continuance of the increasing demand trend for a number of years. Both companies have been faced with necessity of sizeable expansion programs to tap new gas wells and new gas fields to ensure increasing supply for their rapidly expanding markets. To finance sizeable expenditure programs both companies have recently had to make security issues in the investment market. The Alberta Board of Public Utility Commissioners late in 1949 granted Canadian Western Natural Gas Co. an increase in retail rates of approximately 2c per mcf. The rate increase allowed the big Eastern Canadian gas company—Union Gas Co. of Canada—was reflected in sharply increased earnings for the fiscal year ended March 31, 1949.

The natural gas industry stands on the threshold of an interesting new era. Applications before U. S. and Canadian governmental bodies, if granted, would bring approximately one quarter of Canada's population within the market orbit of natural gas.

Four companies are seeking permission to export natural gas out of Alberta—three to British Columbia and the Pacific northwest states of the United States, one eastward to Winnipeg and Minnesota in the U. S.

Union Gas Co. has secured an option on approximately 75 million cu. ft. of Texas natural gas to be delivered daily to its Southern Ontario market by Panhandle Eastern Pipeline Co. in the United States. The American company's application for permission to increase pipeline capacity to deliver the required gas under the Detroit River to the Union Co. is currently being studied by the Federal Power Commission in Washington.

Regardless of the outcome of these current applications, it's almost certain that permission will be granted one pipe line company to export natural gas westward from Alberta within the next year or two. Also likely will be delivery of natural gas to the Southern Ontario area within the next two to five years.

Can. Western

Canadian Western Natural Gas Co. produces and distributes natural gas for domestic and industrial use in Calgary and Lethbridge and adjacent communities. Population served is about 140,000. International Utilities holds 97% of the ordinary stock.

Big problem right now is future gas supply. For many years, the company has depended on the Turner Valley field and capacity there, when supplemented by the southern fields, was about equal to peak requirements last winter. But other sources of supply will have to be made available almost immediately to provide for current and long range growth, the expected decline in peak load capacity of existing fields and extension of service to more communities should they desire it. As regards extension, much preliminary work has already been done, notably in respect to Banff and Edshaw, west of Calgary, and Raymond and Magrath, south of Lethbridge. These must, however, await the reinforcing of the reserve situation.

Present activity regarding gas export from the province has been an unsettling and hampering influence in the negotiating of a new supply. The company feels that if export permits are eventually granted, the gas transmission system used should be fully integrated with its operations and those of Northwestern Utilities. It has therefore decided to support the program of Alberta Inter-Field Gas Lines Ltd., a newly formed company which proposes to build an Alberta province-wide natural gas gathering system or grid, which would be integrated with the Alberta gas distributors and would also deliver for export such quantities of gas as are authorized.

Late in 1949 the Board of Public Utility Commissioners rendered its decision on a rate increase application of the company. It allowed an average increase in retail sales of about 2c per mcf, retroactive to Sept. 15, 1948. Since the rates did not go into effect until December, the company did not actually recover from them its full allowed revenue for the period Sept. 15, 1948 to Dec. 1, 1949. The deficiency is calculated at $419,534, of which $298,429 is attributable to 1949 and this has been booked as revenue in 1949.

Steady growth of the communities served spurs company expectations of annual increases in the distribution of gas. In 1949 20,822,200 mcf were sold, as against 19,989,827 in 1948. Net profit was up slightly at $581,889 ($549,181).

Capital expenditures totaled $1,208,453 and some $2 million will be spent in 1950.

Consumers' Gas

Consumers' Gas Co. of Toronto manufactures and distributes gas in the City of Toronto and surrounding townships under a provincial franchise without time limit. In addition, the company derives substantial revenue from sale of residuals including coke, tar and ammonia, and maintains retail stores for selling gas appliances.

Unusually mild and warm weather, in the fiscal year ended Sept. 30, 1949, contributed to a 2.72% drop in gas output to 8,314,858 mcf. Despite this, revenue from gas sales rose from $9,399,123 to $10,137,838. This factor, coupled with higher sales of residuals and merchandise, helped boost net profit 11.8% to $2,106,952. Further increases took place in the price of coal, and freight rates were advanced in January and in September. Total operating costs were 11% higher at $10,750,499. Average price of gas oil, an important raw material, was up 13.3%.

Extensions to plant and equipment amounted to $911,163. A new water gas set with a daily capacity of 5,250,000 cu. ft. was installed at Station "A." Two new exhausters and two detarrers were erected and put into operation at Station "B." Distribution system was reinforced and extended by the laying of 25 miles of mains.

Output for the six months ended March 31, 1950 was up 6.14% from the previous six months.

Mixing of propane with its manufactured gas is now being undertaken by the company. A total of 16 propane storage tanks with a capacity of 400,000 gallons are being built. This will increase the daily peak-load capacity to 35 million cu. ft. Total installation costs for handling propane will run about $400,000.

Current hearings before the Federal Power Commission in Washington will have an important bearing on the possibility of marketing natural gas, imported from Texas, in Toronto through Consumers' Gas. Panhandle Eastern Pipeline Co. has an application before the board for an increase in its pipeline capacity. If granted, Union Gas Co. plans to build a $25 million pipeline from Detroit to Toronto, Hamilton and London, provided it gets firm commitments from utility companies in these centres to take a large part of the imported gas.

Cities Heating

Cities Heating Co. operates a central heating system in the business district of London, Ont. on a 30-year franchise granted in 1928. It has about 275 customers.

It has, authorized and outstanding, 30,000 npv shares, all privately held. No dividends are paid at present. Public interest is confined to $350,000 of 4½% first mortgage sinking fund bonds due Nov. 1, 1963 and callable at 101.

Net profits for the fiscal year ended May 31, 1945 (latest available) were $23,463.

City Gas & Elec.

City Gas & Electric Corp. serves Trois Rivieres, Que. and Val Morin, Que. with water. It also markets "bottled gas" or liquefied petroleum gas in various parts of the Province of Quebec.

Company owns a gas plant at Trois Rivieres and a water distribution system at Val Morin. Formerly it owned and operated the electrical and water works system in Amos, Que. However, this latter business was sold to the municipality for $90,000 in 1948.

Company's sales of liquefied petroleum gas, a service inaugurated since the war, has shown a steady increase. Company planned at one time to install bulk filling stations at various points in Quebec from which a tank truck service would make deliveries to consumers, but no action has been taken on this phase of operations as yet.

Net profit for the fiscal year ended March 31, 1948, was $674 ($4,010 in the previous year). No further financial data has been issued since that time.

Mtl. Coke & Mfg.

Montreal Coke & Mfg. Co., has been jointly controlled by Quebec Hydro-Electric Commission and Koppers Co. of Pittsburg since expropriation by the Quebec Government of Montreal Light, Heat & Power Consolidated in April, 1944.

The company owns and operates a coke plant at Ville LaSalle, and under lease, the adjoining gas manufacturing plant. The plant includes a battery of 74 Koppers-Deckers coke ovens with annual carbonizing capacity of about 600,000 tons. Coke output recently has been about 585,000 tons annually.

N'western Utilities

Northwestern Utilities Ltd., with head office at Edmonton, supplies natural gas to Edmonton and 12 other communities in Alberta from its own wells. Population served is about 136,000. It is controlled by International Utilities Corp.

Big strides in strengthening the company's gas reserves were made in 1949 with the purchase, from Imperial Oil, of that company's interest in the natural gas lying in the now producing sands of the Viking-Kinsella field. Consideration was $2,890,000, or slightly less than 1c per mcf of the estimated reserves acquired. To reinforce further the reserve situation and to conserve the dry gas of the Viking-Kinsella field, negotiations are under way with Imperial to use in its system the gas of the Leduc field.

Financing of the Viking-Kinsella purchase and of current and pending capital expenditures has been accomplished by the issue, in 1949, of $5 million of 3⅝% bonds due 1971 and $3 million of 3⅞% unsecured promissory notes due 1969.

The company spent $3,113,478 in 1949 on gross capital additions and improvements, other than gas rights acquired. This boosts total outlays on capital account since 1940 to over $15 million. Budget for 1950 calls for another $4,034,000.

Striking results have followed this big program. Number of customers served is three times and gas sales (14,499,704 mcf in 1949) are more than four times the 1939 figures. Operating revenue ($3,397,684) is three times higher. Net profit continues to rise, in 1949 to $943,572, 7.2% above the 1948 figure.

Feeling of the company is that gathering of gas from the various fields in Alberta should be performed in accordance with an over-all plan, having in mind providing the most economical service to users inside the province. To support this view, assistance, including financial if advisable, will be given to the Alberta Inter-Field Gas Lines Ltd., a newly formed company which proposes building an Alberta province-wide natural gas gathering system or grid, which would be integrated with the Alberta gas distributing companies and would also deliver for export such quantities of gas as are authorized.

The Petroleum & Natural Gas Conservation Board of Alberta is now hearing evidence on an application by a company for an export permit to transmit Alberta gas to the Pacific coast. Further applications will be before the board in the coming months. Northwestern, along with Canadian Western Natural Gas Co. proposes making representation to the board that, regardless of all other considerations, the long range gas requirements of the province should be fully protected.

Union Gas

Union Gas Co. of Canada, directly and through subsidiaries, supplies natural and manufactured gas to various districts in Southwestern Ontario. Gas markets supplied include London, Windsor, Riverside, Chatham, Sarnia and numerous other communities.

One of the company's biggest problems in recent years has been to counteract the downward trend in natural gas sales as compared with the more expensive manufactured gas sales.

The problem was to augment supplies of natural gas and considerable progress was made in this direction in 1949. The supply of gas from Imperial Oil's Kimball field increased, and still greater supply from this source has been expected as a result of bringing in the big Payne No. 1 well last summer. An 8-in. pipeline from Union's Dawn storage field to the Kimball field was completed in Sept., 1949, giving a direct connection to its central metering and storage station.

The second and more important factor was first deliveries of natural gas from Panhandle Eastern Pipelines Co. of Kansas. Union has a contract with Panhandle calling for 5.5 billion cu. ft. of natural gas a year. Deliveries started in the summer and had risen to 10 million cu. ft. a day by September. The company has an option on a much larger quantity of gas—enough to supply the entire demand from southwestern Ontario—but this is dependent on the outcome of hearings before the Federal Power Commission in Washington. The Commission is deciding on Panhandle's application for an increase in its pipeline capacity.

If this is granted, and providing commitments from Toronto, Hamilton and Brantford utility companies to take delivery of a large part of the imported gas are received, Union plans to set up a $25 millions pipeline to transport gas from the Windsor area. If everything goes favorably, plans are to import a daily average of 75 million cu. ft.

The annual report for the year ended March 31, 1950, is not available, but earnings are reported to be on a par with 1948-49. In the year ended March 31, 1949, earnings showed a big improvement. Although total volume of gas sold dropped 9% to 5.5 billion cu. ft., revenue from gas sales rose $1,327,000 to $5,705,000 and net profit jumped to $704,903 ($154,624 the previous year).

United Fuel

United Fuel Investments, through subsidiaries, distributes and sells manufactured gas in the Hamilton area and manufactures coke, tar, sundry oils, etc.

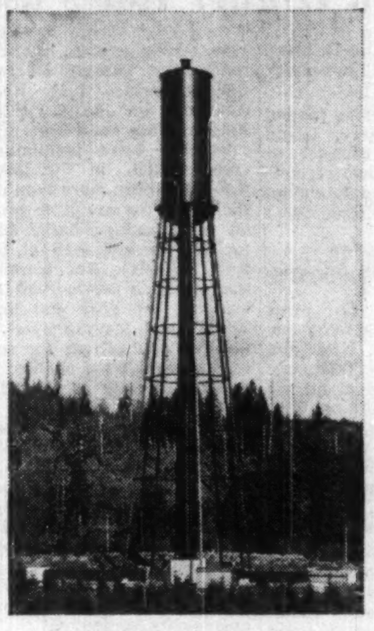
Although no official report has yet been issued, it is believed in some quarters that earnings for the year ended March 31, 1950, will be off somewhat from the previous year's net of $879,636. When the annual report for the year ended March 31, 1949 was issued it was noted by the president that gross revenue was likely to be reduced in 1949-50, as the highly competitive market had already forced lower unit selling prices of some products.

In that prior period, 1948-49, an increase in the average selling price per ton of coke had boosted gross revenues from this source 10.6% or $419,043, despite a volume drop of 5.3%. This, however, was offset by a fall of $456,531 in gross revenues from resale of coke bought from other producers. In May, 1949, it was stated that smaller demand for coke and gradual elimination of its supply shortage meant that requirements could be met almost entirely from the company's own ovens.

Gas sales produced gross revenues of $2,791,744, up 25.4%

(Continued on page 29)

DIFFERENTIAL SURGE TANKS



The Johnson differential surge tank, shown at the left, was installed by the British Columbia Power Commission in the Campbell River Development at Vancouver, B.C. The surge tank provides efficient regulation without wasting water or reducing the effective head, thus enabling the project to generate its maximum power output.

The differential surge tank has an internal riser with ports which control the flow of the water in and out of the tank to suit the load conditions under which the tank operates.

Our nearest office will be glad to send you our booklet on Differential surge tanks or furnish additional information.

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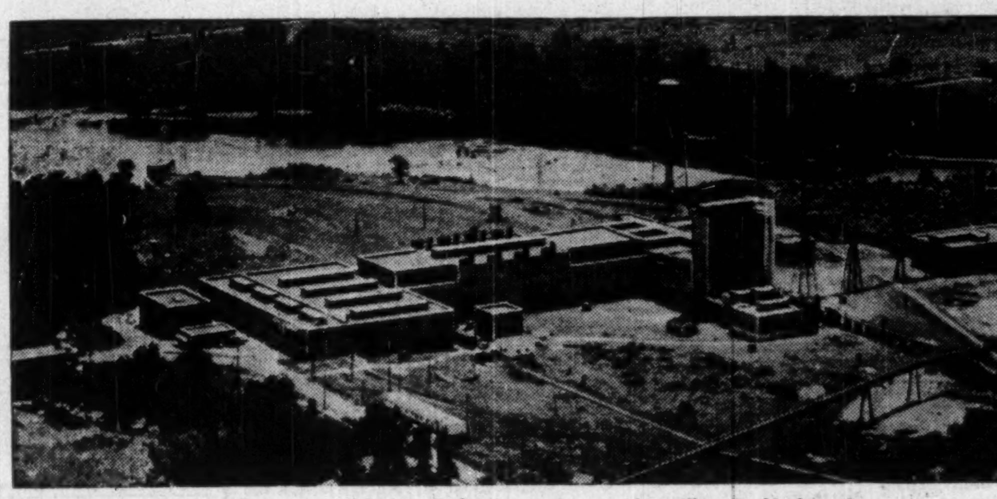
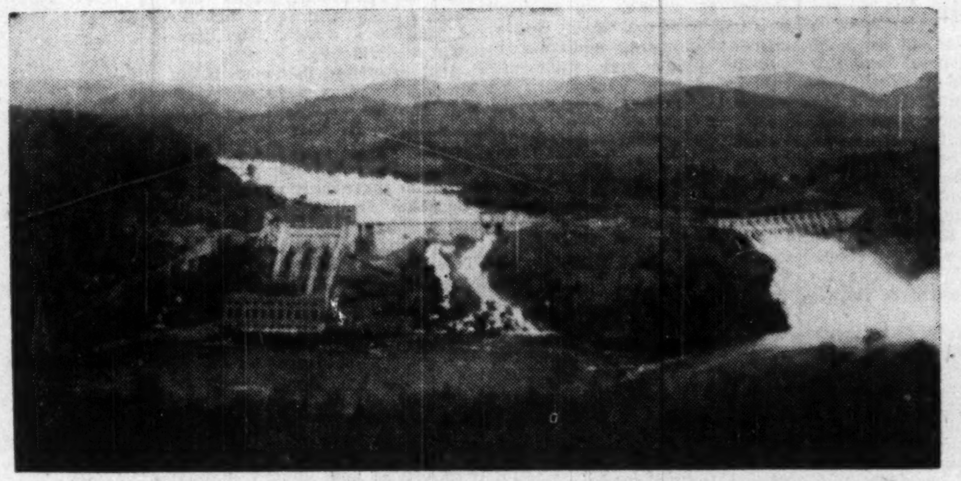


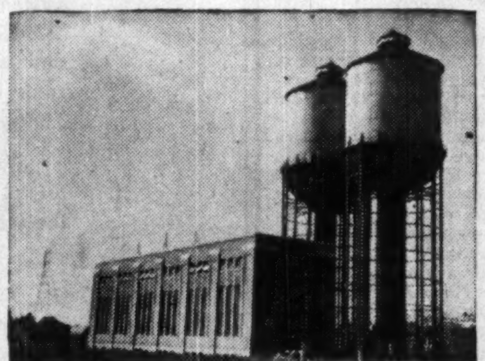
Above . . . aerial view of the Company's newsprint mill at Buckingham, Que.



Above . . . view of the High Falls on the Lievre River about 30 miles north of Buckingham, Que., and the power generating station thereat.

POWER AND PAPER

Vital to Canada's Economy



View of the Masson generating station, three miles south of Buckingham, Que., with two surge tanks at the rear. The installation here is unique—water is conveyed through a tunnel 25 ft. in diameter, about 6,000 feet in length, from a dam impounding the Lievre River to the power house. The tunnel is 200 ft. underground, and blasted through solid rock.
The surge tanks, when built, were said to be the largest in Canada.

THE JAMES MACLAREN COMPANY LIMITED

Newsprint Production - - - - - 350 tons daily capacity
Timber Limits - - - - - - - - 2,637 square miles

Newsprint is in great demand throughout the entire world. The modern and efficient newsprint mill of The James Maclaren Company Limited, at Buckingham Jct., P.Q., which is geared for full and thrifty production, is running at full capacity of 350 tons daily, in its endeavor to do its share of producing newsprint for this world-wide demand.

MACLAREN-QUEBEC POWER COMPANY

Installed Capacity - - - - - - - - 270,000 H.P.
Storage Reservoirs - - - - - - - 40 billion cubic feet

The large and constantly increasing use of Canada's supply of electrical power has greatly benefitted and increased industrial production, materially contributing to the high standard of living in our country.

Since 1939 electrical power demand has increased over 100%. In 1948 almost 45 Billion Kilowatt Hours were put out by Canada's control stations, of which the Province of Quebec produced almost two-thirds. Firm (or Primary) Power increased 8.6% over that of 1947, which itself was a record topping the peak war-years. This alone gives some indication of business conditions.

Maclaren-Quebec Power Company, with its generating stations at High Falls and at Masson on the Lievre River, is doing its full share in helping to meet peace-time needs.

Back of these great enterprises stands the name MACLAREN, which has been synonymous with integrity and quality in the Ottawa Valley for over 80 years.

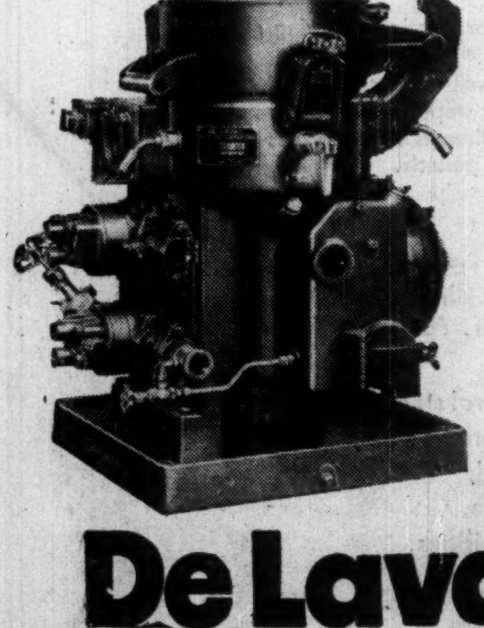
MACLAREN POWER & PAPER COMPANY

THE JAMES MACLAREN CO. LIMITED • MACLAREN-QUEBEC POWER COMPANY

BUCKINGHAM, QUE.

"SLUDGE"

is a Costly word



"Sludge" in turbine oil—unless constantly controlled—can cause untold expense through repairs and loss of service time. Dirt and water in turbine oil cause sludge. The best way to prevent sludge damage is to remove it from turbine oil by centrifugal force *before* it can circulate through the system.

The De Laval Oil Purifier is the most foolproof way of keeping turbine lubricating oil clean. Both *solid impurities* and *any moisture* are instantaneously separated out by centrifugal force. The action is wholly mechanical.

A De Laval Oil Purifier can save countless expense in repairs and maintenance cost.

Write for information.

De Laval *Oil Purifiers*

For sure protection of Power Production

The De Laval Company Limited

Montreal PETERBOROUGH Quebec
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Phone Expansion Programs Continue

Major Companies Seek Higher Rates as Costs Increase

Faced with record demands for service and increasing construction and operating costs several of Canada's telephone companies applied for an increase in rates in the past year.

One of them, New Brunswick Telephone Co., was granted an increase in local and long distance rates by the New Brunswick Board of Public Utilities last fall. The new rates, effective Nov 1, 1949, were modified somewhat from those which the company thought necessary, but nevertheless a large measure of relief, company reports.

Another, Quebec Telephone Corp., was granted a rate revision last year by the Quebec Public Service Board which upped its revenues $64,000 annually.

The two largest, Bell Telephone and British Columbia Telephone, come under the jurisdiction of the Board of Transport Commissioners. The western company's application was heard by the Board in January, but decision may not be made public until hearings on Bell's application are completed. These are expected to last at least till the end of May.

Expansion of telephone facilities in Canada is requiring vast sums. Bell Telephone alone proposes to spend $250 millions in the next three years on its construction program. B. C. Telephone's plans involve expenditures of $40 millions in the 1949-52 period. Other companies are experiencing similar growth, and heavy demands for service, call for unprecedented expenditures for buildings, equipment, toll lines, and so on.

Volume of traffic, both local and long distance, has shown sharp increases. Quality of service is being improved steadily, with dial or automatic equipment replacing manual equipment in many communities across the country.

Remarkable feature of the demand for service has been the long waiting lists of prospective customers, in spite of a record number of installations. Bell, for instance had over 69,000 unfilled orders at the beginning of 1949. During the year, it installed 139,000 new phones, yet at the year end, still had 88,000 applications. That was over and above 108,000 requests for better grades of service (mostly one-party instead of two-party lines).

B. C. Telephone and Bell state in their applications for increases that unless sufficient earnings are made available through higher rates, the companies will be unable to find the necessary funds to carry out their expansion programs and thus meet the current demand for service.

Atlantic Util.

Atlantic Utilities Ltd. is a holding company whose two subsidiaries operate the principal telephone system of Prince Edward Island, a garage, print shop and repair shops. Its entire issued common stock is held by Maritime Telegraph & Telephone Co.

The company owns land, building and equipment in Nova Scotia valued at over $322,000 at Dec. 31, 1947 and the entire capital stocks of Island Telephone Co. and Eastern Electric & Supply Co.

The former of these two subsidiaries runs the main P. E. I. telephone system. It has assets of over $1.6 millions and serves a population of about 90,000.

The other of the two operates a garage and paint shop, its chief customer being Atlantic Utilities. Total assets of this subsidiary are over $114,000.

Atlantic Utilities has no funded debt but its subsidiary, Island Telephone Co. has $500,000 of 3¼% first mortgage and refunding bonds, series "A" outstanding of a total authorized issue of $1 million.

Avalon Telephone

Avalon Telephone Co. owns and operates the entire telephone system in St. John's, Nfld. and surrounding district. Telephone exchanges are located at all the principal points, including Top sail, Holyrood, Brigus, Avondale, Bay Roberts, Harbour Grace, Carbonear, Bell Island and Argentia. Territory has an estimated population of over 100,000, with more than 12,000 telephones installed.

Postwar expansion included an exchange building and installation of automatic equipment at Corner Brook. These new facilities serve 30,000 people and provide for ultimate installation of up to 2,000 more telephones. Initial installation provided for 400 lines. Other phases of the postwar program included changeover of the existing 4,200 line manual equipment at St. John's to 5,000 line automatic equipment, capable of expansion to 6,000 lines; and 100 circuit miles of toll lines and local telephone services in the St. George's district.

Under an agreement with Canadian Marconi Co., the latter erected a station at St. John's Nfld. providing communication with the mainland through its stations at Drummondville and Yamachiche and connecting with the Bell Telephone Co. of Canada.

Latest income figures are for 1948, when gross earnings of $549,570 were shown ($478,886 in 1947). Net profit increased to $75,874 ($60,198).

B. C. Telephone

British Columbia Telephone Co. is Canada's second largest privately owned telephone operating company and the largest in B. C. It operates under a perpetual franchise and serves an area containing more than 840,000 people and including Vancouver and Victoria. Four company-owned submarine cables operate between the mainland and Vancouver Island and interchange agreements connect the other parts of Canada, the U. S., Great Britain and other European centres. A coastal radio-telephone service is run by an associate company, North-West Telephone Co.

Feature of 1949 was the record figure spent on new construction —over $8 millions. It included new buildings, extensions, central office equipment, additions to outside plant and submarine cables between Vancouver and North Vancouver and from the mainland to Mayne Island. More than 80 toll channels were added to the company's network. The big program is continuing this year, with new automatic exchanges slated to go into operation at Castlegar and Osoyoos in the interior, Fruitville in the Okanagan valley and Union Bay, Vancouver Island. Some $3 millions of dial equipment will go into the $260,000 Emerald exchange building, replacing the Fairmont manual exchange. Other substantial jobs are yet to be announced, it is reported.

Forced to seek a rate increase, the company applied, in June 1949, for an increase in exchange rentals and charges for service, the first since 1921. Hearings concluded on Jan. 21, 1950 and judgment has not yet been given.

Sparked by a population increase which, in the last five years, has been more than double the figure for any other province on a percentage basis, demand for service continued at a high level in 1949. Net increase in telephones in service was 17,994, bringing the year end total to 226,431 and leaving over 24,000 unfilled applications for service.

New highs were chalked up in volume of both local and long distance calls completed. Local calls were 5% higher while long distance calls were up 6.4%.

Total revenues for the year amounted to $13,078,017, an increase of $919,121, and operating expenses were $1,134,798 higher at $12,499,624. Principally due to the greater jump in operating expenses, revenues for 1949 fell short of meeting dividend requirements by $397,857.

Debt obligation increased $3 millions by the sale of 3¾% bonds due March 1, 1971.

Bell Telephone

Bell Telephone Co. of Canada owns and operates the most important telephone system in Ontario and Quebec, serving a territory of about 887,000 square miles, with a population of around 8.2 million people. The company has from time to time relinquished its properties in other provinces until today it operates in only the two central provinces. It operates jointly with Michigan Bell Telephone Co., four submarine cables between Windsor and Detroit. Interchange arrangements are made with 887 local companies in Ontario and Quebec with 236,681 telephones. Teletype and special telegraph services are also operated.

Hearings of vital importance to the company are now going on before the Board of Transport Commissioners. The Board, which convened March 8, is considering Bell's application for a rate increase, made in October 1949 and actively opposed by many municipalities. Bell's earnings in 1949 totaled only $1.20 a share, considerably short of its $2 a share dividend, and as a result it had to dip into surplus for the balance. At the end of 1949, the company's total remaining surplus amounted to only $7.7 millions, $1.21 per share of stock outstanding, and this will be rapidly eaten away if dividends are maintained at $2 a share and the rate increases are not granted, company points out. In February 1950 the president stated that deficits are mounting at the rate of $500,000 a month, after payment of dividends.

It is estimated that even if the applied-for rates were approved, effective June 1, undivided profits after payment of dividends in 1950 would total only $454,000. Net profit would be $2.06 per common share, only slightly over the $2 dividend rate.

The huge expansion program continued unabated in 1949. Total new construction expenditures for plant expansion and improvements amounted to $74,300,000 and were paid for with biggest program of financing in the company's history — almost $80 million was realized from the sale of common stock and long term bonds.

Here are some of the additions made during the year: 23 new dial offices and 13 new manual central offices; 163 extensions of existing equipment; 19 new buildings erected and 17 buildings extended; 1,230 long distance circuits added; and extensions to long distance switchboards installed in 35 centres.

The exceptionally high demand for service continued. During the year 139,228 new telephones were added, boosting the total in service to 1,595,184 — more than double the 1939 figure. Despite the clearing of 69,000 applications for service outstanding at the start of the year, there remained 80,000 unfilled at the year end, plus 108,000 requests for better service.

The company's fixed capital is now equivalent to an average of $290 for every telephone in service, compared with $272 in 1948 and $250 in 1947.

Bell's plans for the next three years involve gross construction expenditure of $250 million and are estimated to require another $141 million of new capital. In the rate hearings the company's counsel stated that it was essential for attracting sufficient capital that earnings be sufficient to pay a dividend of $2 a share.

The near record gain in number of telephones in service was accompanied by even greater growth in use of the service. Local calls hit a new high average of 10 million a day, up 10%, and long distance calls increased by 15% to a record 77,655,000 for the year.

Revenues reflected this great increase, reaching a record $109,506,843, 12% higher than 1948. Both local and long distance revenues were higher. But operating expenses, featured by a rise in wages, increased 20% to $88,123,605, and net profit was therefore cut 29.3% to $7,481,396.

Number of shareholders increased by 20,000, the greatest increase in any year, to total of 59,591. Of the total number of shareholders, 58,000 or 97% live in Canada. Average holding per shareholder is 106 shares; 42% of all shareholders own 25 shares or less and 79% own less than 100 shares. No individual owns as much as one-seventh of 1% of the shares.

Eastern Twps.

Eastern Townships Telephone Co. operates a telephone system in the Eastern Townships, area around Sherbrooke, Que. It is controlled by the Bell Telephone Co. of Canada.

The company registered an increase of 671 telephones in service in 1949, boosting its total to 5,809 at Dec. 31. Gross additions to plant amounted to $144,200, up $31,700 from 1948.

Total income was 10.1% higher at $265,649, but operating expenses increased 16.8% to $218,300 and, although taxes were down, interest requirements were up. The result was a fall in net profit from $29,547 to $21,503. This was equal to 88c a share and, as dividends of $1 a share were paid, it was necessary to draw on surplus to the extent of $2,973 to meet the dividend requirements.

Farmers' Tele.

Farmers' Telephone Co., controlled by Bell Telephone Co. of Canada, operates a telephone system in and adjacent to Howick, Que.

Number of telephones in service at the end of 1949 was 2,248, an increase of 230 for the year. Gross additions to plant amounted to $55,300, and net increase in fixed capital, after allowance for the original cost of plant removed from service and not reused, was $41,300 compared with $44,800 in the previous year.

To carry on the company's work program, 2,982 shares, at $25 a share, were offered in April 1949 and were fully subscribed for.

Gross revenues from all sources jumped 12.2% to $85,216, made up of $47,463 local service, $37,744 long distance and $9 miscellaneous. Net income rose to $9,138, from $6,388.

Capitalization at Dec. 31, 1949 consisted of 8,000 $25 par common stock, of which 6,958 fully paid shares are outstanding.

Maritime T & T

Maritime Telegraph & Telephone Co. operates by far the biggest part of the telephone system of Nova Scotia and, through control of Island Tele-

(Continued on page 29)

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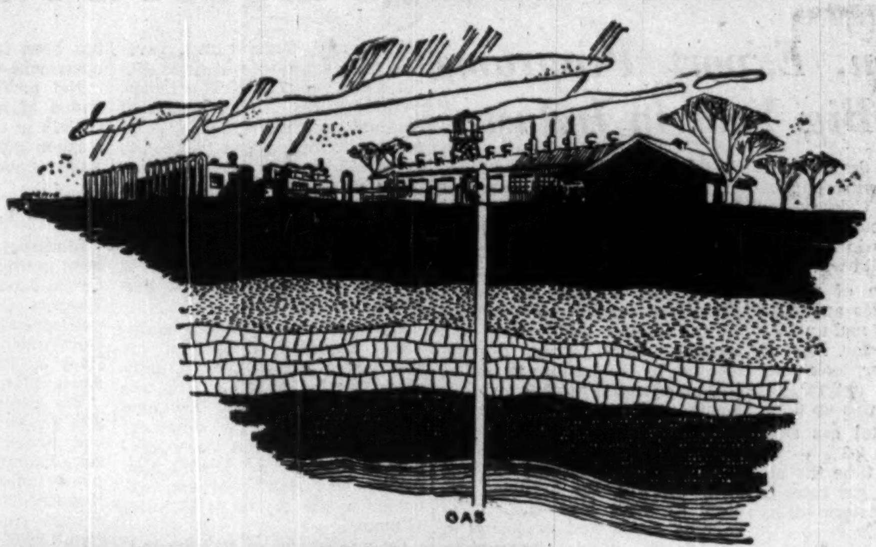

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PART OF RAPID TRANSIT PLAN FOR TORONTO

THE TORONTO TRANSPORTATION COMMISSION has equipped the T. T. C. system with the most modern rolling stock and employs the most efficient methods and devices in its operation. In spite of all this, the intolerable traffic congestion long experienced in Toronto's inadequate streets has proved that steps must be taken to separate the traffic of public transportation vehicles from other vehicular traffic.

The first step in this plan of Rapid Transit for Toronto is the construction of the Yonge Street subway, from the Union Station to Alexander Street (under Front and Yonge Streets), and the extension of this route by private right-of-way adjacent to Yonge Street to a terminal station at Eglinton Avenue.

TRAFFIC BOTTLENECKS ELIMINATED

Not only will this Yonge route of the Rapid Transit System carry all passenger traffic now carried by the YONGE route surface cars, but it will also carry the main flow of passenger traffic from the present BAY route (which will be routed across St. Clair Avenue to Yonge Street).

Thus street car tracks will be removed from Yonge Street and from Avenue Road, eliminating some of the worst traffic bottlenecks in the city.

40,000 PASSENGERS PER HOUR

Some of the most interesting features of the Yonge Street Rapid Transit route will be:

The operation will be controlled by completely modern signal equipment, including automatic train stops.

Ultimate capacity will be 40,000 passengers per hour in each direction, which provides amply for predicted growth of Toronto.

High level subway platforms will be located as close as possible to the street surface, giving the maximum of convenience for passengers.

Escalators will facilitate rapid and orderly movement of passengers at all subway stations where lengths of stairways are at all excessive.

COMFORT AND SPEED

Cars will be ten feet wide, providing comfortable seats. The present street cars are 8 feet 4 inches in width.

Platforms will be at car floor level to facilitate rapid loading and unloading.

Cars will be inter-communicating, allowing equalization of load in the cars of any train.

Rapid Transit trains will operate at rush hour schedule speeds, including stops, of 18 m.p.h. northbound, and 20 m.p.h. southbound, with speeds of 20 or more m.p.h. in off-peak periods.

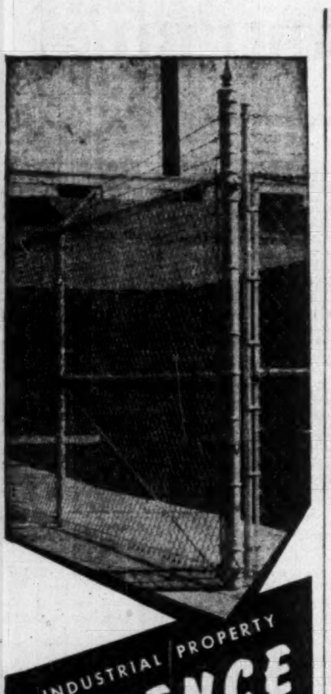
MOUNTAINS OF MATERIALS

As a construction project, the Yonge Street subway measures in huge dimensions. All Canada benefits from the manufacture and supply of these materials. For example, it will require:

1,140,000 bags of cement,
145,000 tons of sand,
150,000 tons of gravel,
10,000,000 board feet of lumber,
1,390,000 cubic yards of excavation,

10,000 tons of structural steel,
12,000 tons of re-inforcing steel,
3,850 tons of rail steel,
420 tons cast iron pipe,
12 overhead street bridges.

TORONTO TRANSPORTATION COMMISSION



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Major Companies Seek Increase in Rates As Phone Expansion Programs Continue

(Continued from page 28)

phone Co., of Prince Edward Island. Of 97,652 telephones in service in Nova Scotia, 90,682 are owned and operated by the company. The others are operated by 272 mutual and privately owned telephone systems, all of which connect with the company's exchanges. Its lines connect with New Brunswick Telephone Co.'s system and it has other connections, under favorable agreements, for long distance business. Plant and property in Nova Scotia is valued at over $20 millions.

Records were smashed in every phase of operation in 1949—more calls handled, telephones installed, people employed, wages paid and plant expansion than in any previous year.

Local calls completed totaled 176,190,218 while long distance calls stood at 3,972,884. Net increase in phones in service was 9,384, bringing the year end figure to 90,682, up 52% in the last seven years and 11.5% from Dec. 31, 1948. Large numbers of unfilled orders are outstanding and new requests for service are being received almost as fast as orders are completed.

Gross expenditures on plant amounted to $3,767,980. Fireproof modern exchange buildings were completed at Waterford and Springhill and additions made to central office buildings at Dartmouth and Middleton. Large scale erection and replacement of pole lines was carried out and a considerable amount of underground conduit laid.

Projects slated for 1950 are extensive. Construction of exchange buildings at North Sydney, Kingston, Hantsport and Halifax is under way. The new Halifax building will house a "toll dialing system," one of the first in Canada. New buildings will be erected at several small exchanges and extensions will be made at Kentville and Windsor. A dial system will be installed at Wolfville. The 1950 budget will be the largest on record, requiring some $5 millions.

A substantial portion of the capital requirements for this year will be provided by an issue of common shares. In 1949, additional common stock was issued, netting the company $1,958,432.

Dial equipment is now in operation in 16 exchanges and in P.A.B.X. systems, serving a total of 56,762 telephones, 62.6% of the total number in service.

Total operating revenue for the year was $5,089,372, up from 1948's $4,526,142. Net profit increased 10.9%, from $690,007 to $765,236. A breakdown of gross revenues shows 63.25% from local service, 34.99% from toll service and 1.76% from miscellaneous sources.

N. B. Telephone

The New Brunswick Telephone Co. owns and operates a telephone system covering New Brunswick and connecting with telephone systems in adjoining provinces. The company owns its head office building and nearly all buildings used as central offices. These, along with plant and general equipment, totaled $19,284,716 at Dec. 31, 1949.

Higher rate schedules were granted the company in 1949. These are designed to correct a situation which, in 1949, resulted in earnings insufficient to meet regular dividend payments of 50c a share. Profit for the year was $503,351 ($489,026 in 1948). After paying dividends of $560,334, a deficit of $56,983 was shown. Company officials expect the new rates to produce enough additional revenue to maintain rate of dividend and provide a satisfactory level of service.

Gross revenue was higher at $4,182,177 ($3,639,660) and operating expenses increased to $2,426,533 ($2,152,086). Record highs in local and long distance calls completed were established. Long distance calls at 2,609,006 were up 5.5% from 1948.

Telephones in service continued their upward trend, chalking up a net gain of 6,213 and bringing the year end total to 65,928, close to double the 1940 figure. Unfilled applications for main service at Dec. 31, totaled 6,179 and for improved grade of service, changes of equipment, etc., 2,269. These compare with 6,132 and 1,338, respectively, at the end of 1948.

Big capital outlays were again made, in an attempt to meet the continuing high demands for service. A total of $3,251,513 was spent and included new central office equipment and outside exchange facilities. The Sackville exchange was completely rebuilt and installation of dial equipment at Fredericton completed (this exchange was cut over from manual to dial operation on Feb. 1). Extension to the central office building at Moncton was finished. New toll circuits put in service numbered 33 and 107 new rural circuits were erected.

To finance this big construction program, the company sold $2 millions 3⅜% debentures and offered 112,975 common shares, of which 111,207 were subscribed and paid for at Dec. 31.

Northern Tel.

Northern Telephone Co. operates a telephone system in 34 centres in northern Ontario and northwestern Quebec.

One of the highlights of 1949 was the fact that gross revenues broke the million dollar mark for the first time—$1,076,323. Although this was a considerable increase over 1948, expenses were correspondingly higher, so that net profit of $66,138 was up only $3,018 from the previous year.

Continued heavy payments on capital account were necessary for central office equipment, cable and new telephones. New three-position additions were made to switchboards at Kirkland Lake and Kapuskasing and at Amos a new common battery board was installed in the central office building. The second exchange building at Timmins is expected to be operating before long. Steep Rock Iron Mines and Atikokan are now being served by a new exchange opened in July and at Dec. 31, 361 telephones were in use.

Biggest single item in the 2,731 increase in telephones, which brought the total to 28,382, was again on the Noranda-Rouyn exchange, where 948 telephones were added.

Further big capital expenditures are expected in 1950 at some exchanges. In November, an offering of 235,529 shares was made which was 95% subscribed. Proceeds were used to finance the capital outlay.

Quebec Telephone

Quebec Telephone Corp. owns and operates a telephone system in Eastern Quebec. Communication between the north and south shores of the St. Lawrence is maintained by radio telephone circuits from Rimouski and Matane.

Wholly-owned subsidiary, the Gulf of St. Lawrence Telephone Co., operates a telephone and telegraph system along the north shore to the Straits of Belle Isle, as well as a telephone system in Gaspe North. In co-operation with Canadian Pacific Telegraphs, it runs a direct printer telegraph service between Montreal and Baie Comeau.

Two rate revisions, first in 25 years, were granted during 1949 and will yield an estimated $64,000 more revenue in 1950. An application for increased toll rates is being heard now by the Board of Transport Commissioners.

Record construction in 1949 was highlighted by the switch from common battery to dial operation at Rimouski. This effort included unattended dial offices in the surrounding towns of Bic, St. Blandine, Luceville, and St. Gabriel and the new facilities have more than doubled the actual capacity of the plant in the Rimouski district. Total outlays were $739,106 and included, besides the Rimouski conversion, continued reconstruction of toll lines and building of lines to replace leased facilities.

Gross revenues were up 20% at $1,121,794, while net profit jumped from $62,529 to $100,964. Higher net, it was reported, was due largely to a greater use of the company's services and to a lesser degree to rate increases, which will not be fully felt until 1950.

The year marked the fourth successive year in which an "exceptional" expansion in telephones was made. Net gain of 2,083 in service was registered. Unprecedented demand continued and the company was left with 2,111 unfilled applications at the year end, against 2,000 at the end of 1948.

No additional financing was undertaken during the year but in April, 1950, an offering of 250,000 5% preferred shares was made. Purpose of the issue is to provide funds for expansion.

Okanagan Val. Tel

Okanagan Valley Telephone Co. is a holding company supplying, through its subsidiaries, telephone service in the Okanagan Valley and adjoining B. C. territory. Population served numbers about 45,000. The company's system is connected with B. C. Telephone Co. and, through it, with the Trans-Canada Telephone system.

It holds all the outstanding common stock of Okanagan Telephone Co. which, in turn, wholly owns Solar Telephones Ltd. and Summerland Telephone Co.

Postwar expansion of the company's subsidiaries has been big. In December, 1945, 7,654 telephones were in service; in February, 1950, the total had reached 13,060. Five of the 11 exchanges operated have now been converted to dial operation. Installation of automatic equipment for Kelowna is now under way and the new equipment is expected to be in operation by March, 1952. Specifications are now being prepared for Penticton and Vernon dial central office equipment and orders for this apparatus will be placed with suppliers shortly. Future plans contemplate automatic operation for the entire system.

In December, 1949, Okanagan Telephone Co. sold $250,000 3¾% first mortgage bonds to provide funds for the expansion program.

Gross revenue of Okanagan Telephone Co. and its subsidiaries for 1949 amounted to $531,955 ($467,637 in 1948). Operating expenses rose to $435,528 ($357,752) and net profit totaled $67,147 ($80,867).

Saguenay-Quebec

La Compagnie du Telephone Saguenay - Quebec owns and operates a telephone system in the Lake St. John district and the Saguenay Valley in Quebec, with telephone exchanges at all principal points. Through connections with Bell Telephone, the company provides service to all points in Canada, the U. S. and elsewhere.

It serves an area with a rapidly growing population, estimated at around 165,000. Although primarily agricultural, the area has, over the last few decades, experienced considerable industrial expansion.

Bell Telephone acquired control in 1948 and has assumed an active interest in management.

Operating revenues showed a sharp increase in 1949, to $779,568 from $675,518 in 1948. Local service provided $356,923 ($262,635) and toll service $407,836 ($371,113). Expenses showed an even bigger increase, however, and net income available for dividends dropped to $42,259 ($44,624).

Funded debt at Dec. 31, amounted to $1,355,000, while other long term debt totaled $6,950. There were $300,000 5% preferred shares and $200,000 6% class "B" shares outstanding, along with 120,000 ($1,036,154) n.p.v. common shares.

Boom in Alberta Brings Record Natural Gas Sales

(Continued from page 27)

owing to greater volume sold and higher average rate received.

Prewar, almost all the company's production of coke was absorbed in the domestic market, but during the war it was ordered to sell practically its whole output to munitions industries. Until late in the fiscal year, industry continued to take a large part of production, but recently, gradual elimination of shortages of almost all types of fuel has indicated a marked drop in demand for coke by industry. Once again, the company will have to look to the domestic market to absorb the bulk of its production.

The company may get more gas from the U. S. for distribution in its system if the proposed increased imports by Union Gas Co. materialize. This is dependent on an American company receiving permission to enlarge its pipeline capacity and on Union Gas building a $25-millions pipe line from the Border to Toronto, Hamilton and London.

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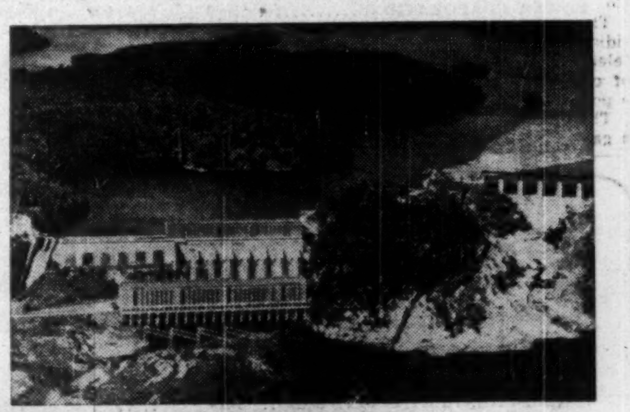
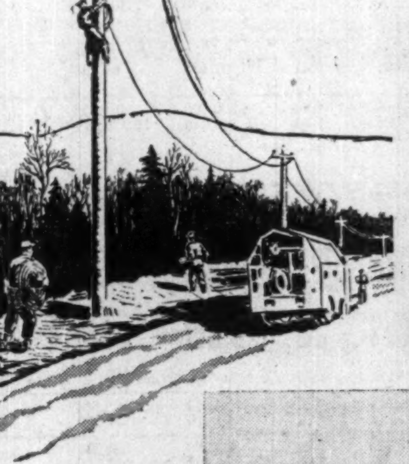
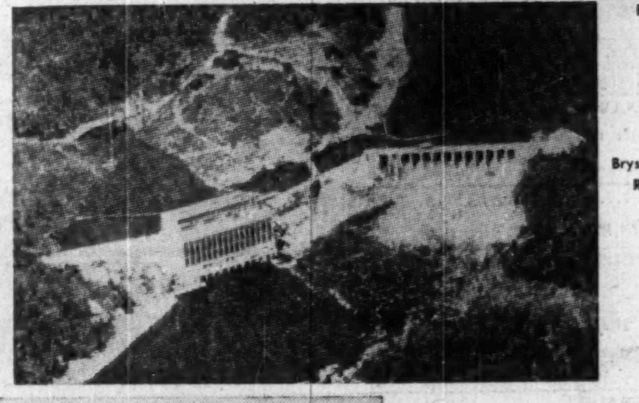
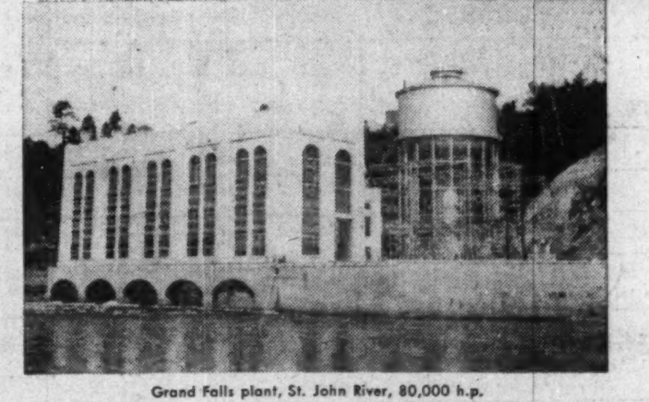


Paugan plant, Gatineau River, 238,000 h.p.





Bryson plant, Ottawa River, 78,400 h.p.



Grand Falls plant, St. John River, 80,000 h.p.

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STE. ADELE
SHAWVILLE

Gatineau Power Company

The Financial Post Statistical Record of Public Utility Companies

	Year	Funded Debt $	Gross Income $	Net Earnings $	Deprec. $	Times Int. Earned after Deprec. $	Total Income Taxes $	Net Profit after Total Taxes $	Earnings per Share Preferred $	Earnings per Share Common $	Dividends Pref. $	Dividends Com. $	Surplus for year $	Working Capital $	Total Refund. Portion $	OFFICERS AND DIRECTORS
POWER																
B. E. ELECTRIC	1949	88,639,251	39,777,831	13,191,069	4,724,453	3.25	2,248,890	3,207,192	†16.04	*1.06	§4.00	*	607,692	♦1,409,040	1,129,000	A. E. Grauer, pres.; W. C. Mainwaring, T. Ingledow, A. B. Robertson, vice-pres's: Vancouver; E. W. Arnott, vice-pres., Victoria; J. Lorn McLean, vice-pres. & treas.; J. A. Brice, sec.; G. T. Cunningham, W. G. Murrin, J. L. Trumbull; Vancouver; R H B. Ker, N A. Yarrow, Victoria; J. G. Robson, New Westminster; S. G. Dobson, Severe Godin, A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt, Montreal; J. H. Gundy, Toronto; E. R. Crammond, A. P. Holt, London, Eng.
†4% and 4¾% pref. *Classes A and B common, all owned by B. C. Power Corp. §4% pref.; also paid $4.75 in 1949, 60c in 1949 on 4¾% pref.	1948	72,478,650	37,031,864	10,797,957	3,407,925	3.96	1,952,250	3,173,949	†18.67	*1.33	§4.00	*	999,949	♦3,336,425	1,232,000	
CALGARY POWER LTD.	1949	17,000,000	5,390,657	2,822,461	650,000	6.03	686,745	1,125,412	*16.08	2.39	‡4.00	nil	835,412	858,060	......	I. W. Killam, chm.; G. A. Gaherty, pres.; Montreal; F. C. Clarke, treas., Hudson Heights, P.Q.; H. B. Sherman, vice-pres. & gen. mgr., Calgary; L. G. Proctor, sec., Como, P.Q.; S. B. Hammond, Hudson, P.Q.; S. J. Symington, Denis Stairs, G. H. Thompson, Montreal.
*4% and 4½% pref. ‡4% pref.; also paid $4.50 in 1949, $3.37½ in 1948, on 4½% pref.	1948	11,000,000	4,748,017	2,921,414	805,198	5.60	606,147	1,131,911	*16.17	2.47	‡4.00	nil	864,411	823,390	53,857	
CANADA ELECTRIC	1949	3,470,000	886,218	390,183	85,879	1.95	‡47,417	94,930	....	10.54	....	5.00	49,930	♦18,336	11,616	N. T. Avard, pres. & man. dir.; W. R. Ross, sec.-treas.; A. H. Lamy, A. R. Lusby, A. D. Smith; Amherst, N.S.; B. P. McCurdy, Halifax.
‡Including other taxes.	1948	3,500,000	711,817	312,344	64,903	2.28	‡56,609	76,272	....	8.47	....	5.00	31,272	94,325	22,839	
CANADA NORTHERN PWR. CORP.	1949	....	2,460,844	1,090,912	277,460	...	224,158	*247,673	....	*0.62	....	0.60	7,673	447,703	2,594	A. J. Nesbitt, pres., Montreal; B. V. Harrison, vice-pres. & gen. man., Noranda, P.Q.; V. J. Nixon, sec.; T. Irving, treas.; L. C. Haskell, P. A. Thomson, A. H. Paradis, Joseph Simard, J. B. Woodyatt; Montreal; Dan. McLachlin, Arnprior, Ont.
*After subsidiary dividends.	1948	....	2,107,952	1,132,446	275,335	...	224,220	*298,268	....	*0.75	....	0.60	58,268	479,163	2,594	
CANADIAN UTILITIES	1949	3,170,000	1,680,981	903,799	166,541	9.07	253,350	405,082	27.01	0.54	5.00	0.38	98,924	778,200	52,524	H. R. Milner, chm., Edmonton; B. M. Hill, pres.; J. G. MacGregor, gen. mgr.; F. A. Smith, compt.; T. A. Montgomery, sec.; A. M. Irvine, treas.; E. W. Bowness, F. A. Brownie, G. E. Kelly; Calgary; A. D. McNab, New York; Dr. G. L. Cooke, W. Poxon, J. E. Thomson.
	1948	2,460,000	1,365,729	597,352	132,473	5.62	136,156	283,183	18.88	0.34	5.00	0.32	35,383	756,101	66,612	
CANADIAN WEST. NATURAL GAS	1949	....	4,846,332	‡1,221,878	204,706	...	377,812	581,899	3.87	5.77	0.80	4.00	141,571	481,587	48,537	H. R. Milner, chm., Edmonton; F. A. Brownie, pres., Calgary; R. C. McPherson, gen. mgr., Edmonton; F. A. Smith, compt.; H. M. Hunter, gen. supt.; S. C. Murison, sec.; W. L. McPhee, treas. & asst. sec.; P. D. Mellon, Fred Stapells, H. E. Timmins; Calgary; E. W. Bowness, Edmonton; A. G. Baalim, Lethbridge; A. D. McNab, New York.
‡Includes $293,895 re retroactive increase in rates applicable to 1949.	1948	....	4,172,506	1,044,489	172,879	...	291,258	549,181	3.65	5.36	0.80	4.00	108,853	1,026,912	72,427	
EAST KOOTENAY POWER	*1949	3,550,000	1,053,149	416,386	141,900	1.94	42,740	74,745	7.47	0.16	nil	nil	74,745	350,815	......	A. J. Nesbitt, pres.; J. B. Woodyatt, vice-pres.; Montreal; G. E. Elkington, gen. mgr., Fernie, B.C.; V. J. Nixon, sec., Thos. Irving, treas.; L. C. Haskell, E. R. Parkins, P. A. Thomson; Montreal.
*Year end. Mar. 31.	*1948	3,625,000	814,270	362,178	139,500	1.43	18,400	29,253	2.93	d1.36	nil	nil	29,253	230,057	......	
EASTERN LIGHT & POWER	1948	1,260,000	831,174	265,157	54,039	...	80,082	100,052	....	1.67	....	0.40	76,052	113,054	29,412	M. R. Chappell, pres., Sydney, N.S.; T. N. Avard, vice-pres., Amherst, N.S.; C. M. Laing, sec. & gen. mgr., Sydney, N.S.; D. C. Sinclair, M. J. Dwyer, New Glasgow, N.S.; J. C. MacMillan, N. Sydney, N.S.
	1947	1,261,000	747,607	241,920	48,359	...	82,480	86,458	....	1.44	....	0.40	62,458	203,227	42,119	
EASTERN UTILITIES	1948	812,000	....	†135,647	......	3.71	......	99,107	3.60	3.36	0.55	nil	83,982	204,060	......	Hon. F. B. McCurdy, pres.; W. A. Winfield, vice-pres.; Halifax; E. G. Dewling, sec.; M. M. King, treas.; A. Knox, C. M. Sinclair, A. R. Cooper; Charlottetown.
†After deprec. and taxes.	1947	812,000	....	†155,374	......	4.25	......	118,834	4.32	4.15	0.55	nil	103,709	121,981	......	
GATINEAU POWER CO.	1949	71,104,722	12,735,265	9,229,437	1,320,000	3.31	2,342,408	3,176,340	*20.24	1.43	‡	1.20	379,064	♦473,959	128,153	G. G. Gale, pres., Ottawa; I. L. Moore, vice-pres., Boston, Mass.; C. N. Simpson, vice-pres.; A. C. Brittain, treas.; J. R. Binks, sec.; Ottawa; V. M. Drury, Montreal; Lt.-Col. W. F. Hadley, Hull, P.Q.; L. T. des Rivieres, Quebec, P.Q.; B. A. Brickley, Boston, Mass.
*5% and 5½% pref. $5.00 and $5.50 respectively paid regularly in full.	1948	72,612,778	11,575,046	8,386,567	1,320,000	3.09	1,884,874	2,892,647	*18.43	1.26	‡	1.20	95,371	529,604	143,355	
GREAT LAKES POWER CORP.*	†1949	12,500,000	....	1,073,639	207,714	...	273,387	413,911	....	....	....	....	......	295,738	......	J. A. McPhail, pres.; F. E. Hollingsworth, vice-pres.; B. C. Gartshore, vice-pres. & mgr.; Ethel Hugill, sec.; J. R. Andrews, treas. & asst. sec.; Alexander Sinclair, J. L. Lang, K. G. Ross; Sault Ste. Marie, Ont.; Gordon McMillan, W. P. Scott, Toronto.
*Incorporated Dec. 14, 1949; acquired Great Lakes Power Co.; figures shown are from pro forma statement as at Sept. 30, 1949, after giving effect to offering of $4,500,000 general mortgage bonds Jan., 1950. †For 9 months ended Sept. 30. ‡All outstanding 3¼% 1st mtge. bonds, totaling $6,100,000, of Great Lakes Power Co. called for redemption Jan. 31, 1950 at 102½ and accrued interest.	1948	‡	....	1,246,659	259,441	...	264,676	448,117	....	....	....	....	......	......	......	
JAMAICA PUB. SERVICE LTD.*	1949	....	154,089	149,447	......	...	10,918	138,529	....	1.026	....	1.00	3,529	33,826	......	R. D. Bell, pres.; Abner Kingman, G. H. Clifford, vice-pres's, Montreal; E. J. Murphy, sec.; G. E. Smith, treas.; H. de M. Molson, F. J. Dupré; Montreal; Rt. Hon. Viscount Hardinge, London, Eng.; G. W. MacDuff, Kingston, Jamaica.
*Parent company only.	1948	....	154,089	149,200	......	...	10,927	138,303	....	1.024	....	1.00	3,303	30,297	......	
JAMAICA PUB. SERVICE CO. LTD.†	1949	£759,500	£456,669	£192,604	£34,932	5.67	£28,471	£100,584	....	....	♦	....	26,803	7,782	......	
†Operating subsidiary. Note: Consol. earnings applicable to common shs. of Jamaica Public Service Ltd. equalled $1.38 per sh. for 1949 compared with $1.45 for 1948. ♦Dividend paid regularly on 7% $100 par pref. and on 7%, 5% and 5% £1 par B, C. and D pref.	1948	£574,500	£444,992	£148,267	£30,822	4.75	£17,114	£ 74,672	....	....	♦	....	......	♦39,804	......	
LOWER ST. LAWRENCE POWER	1949	4,531,000	1,127,975	630,834	167,616	4.28	124,524	178,491	22.31	6.52	nil	nil	178,491	630,150	3,601	Hon. J. A. Brillant, pres.; T. A. Bernier, vice-pres. & chief engr.; Norman Gendreau, vice-pres. & treas.; P. E. Gagnon, sec.; Jean Duchesneau, Miss A. Dube, J. H. Labrie; Rimouski, P.Q.
	1948	3,610,500	1,003,707	573,589	158,856	4.24	106,088	161,716	20.21	5.69	nil	nil	161,716	♦201,975	3,601	
MACLAREN-QUEBEC POWER	*1949	17,553,000	2,402,758	1,891,165	†604,846	2.36	353,000	316,723	....	....	....	....	......	......	......	A. R. Maclaren, pres., Buckingham, P.Q.; A. B. Maclaren, vice-pres., Ottawa, Ont.; J. A. Bryant, sec.-treas.; H. W. Cressy, Buckingham, P.Q.; C. H. Maclaren, Ottawa, Ont.
*Year ended Nov. 30. †Incl. amort.	*1948	18,428,500	2,562,787	2,063,071	†609,175	2.55	381,000	427,148	....	....	....	....	......	......	......	
MEXICAN LIGHT & POWER	1948	36,010,393	20,345,027	3,352,649	2,035,000	1.47	......	•898,115	†d14.97	d8.60	nil	nil	•898,115	826,103	......	G. S. Messersmith, chm.; G. Maryssael, pres & gen. mgr.; Mexico City; Paul van Zeeland, vice-pres., Brussels, Belgium; E. A. Graydon, sec.; Allan Graydon, C. E. Finley, D. G. Guest, J. S. Holmested; Toronto; G. R. G. Conway, Mexico City; W. D. Dawes, London, Eng.; D. N. Heineman, Charlotte, N.C.; J. D. Duncan, H. S. Hooker, New York; Baron Raoul Richard, W. Menschaert, Brussels, Belgium.
†First pref. only.	1947	31,677,069	19,994,013	4,970,858	1,844,000	3.35	......	878,938	†14.65	1.29	nil	nil	878,938	3,473,107	......	
NEWFOUNDLAND LIGHT & POWER	1948	3,218,000	1,160,074	725,266	195,000	...	142,375	267,467	†22.29	†1.73	*	*	267,467	255,028	......	C. E. Hunt, chm., St. John's, Nfld.; Denis Stairs, pres., Montreal; J. W. Morris, vice-pres., St. John's; F. C. Clarke, sec.-treas.; I. W. Killam, G. H. Thompson; Montreal; Hon. W. S. Monroe, R. G. Winter, St. John's.
†Based on new outstanding capital stock of 12,000 5% pref. and 120,000 common shs. ‡Not available. *Initial quarterly divd. of $1.25 per pref. and 25c per common paid June 1, 1949.	1947	‡	1,088,212	578,338	195,000	...	90,699	156,689	†13.06	†0.81	....	....	156,689	‡	......	
NORTHERN QUEBEC POWER	1949	9,000,000	2,454,365	1,100,877	277,460	2.94	224,060	303,946	30.39	1.27	5.00	0.90	73,946	[illegible]1,916	2,594	J. A. Nesbitt, pres., Montreal; B. V. Harrison, vice-pres. & gen. mgr., Noranda, P.Q.; V. J. Nixon, sec.; T. Irving, treas.; P. A. Thomson, J. B. Woodyatt, L. C. Haskell; Montreal.
	1948	9,000,000	2,101,472	1,143,798	275,335	3.54	224,220	354,616	35.46	1.52	5.00	nil	304,616	[illegible]6,127	2,594	
NOVA SCOTIA L., H. & POWER	1948	10,375,000	5,898,508	*1,723,704	649,800	*3.54	......	757,297	*17.09	2.57	†6.00	1.00	324,359	317,390	742,686	Lt.-Col. J. C. MacKeen, pres.; J. McG. Stewart, vice-pres.; N. T. Smith, gen. mgr.; C. J. Hayes, sec.; A. W. Wentzell, treas.; Hon. W. H. Covert, W. N. Wickwire, G. MacG. Mitchell, Dr. M. J. Carney, H. P. Briggs, A. H. Whitman; Halifax, N.S.; Denis Stairs, Montreal, P.Q.
*After income taxes. *Combined 6% and 4% pref. †6% pref. only; on 4% pref. initial 33c pd. Dec. 1, 1947. $1 per quarter pd. regularly since. ‡Also pd. $3 per old common sh.	1947	7,449,000	5,546,450	*1,605,870	762,900	*3.33	......	566,055	*12.78	2.00	†6.00	‡0.50	206,517	601,067	762,833	
PEMBROKE ELECTRIC LIGHT	1949	800,000	307,245	148,415	42,036	...	27,986	46,893	....	3.75	....	0.60	39,393	148,835	9,521	W. R. Beatty, pres.; D. R. Rogers, vice-pres.; C. J. Webb, sec.-treas.; Angus Meehan, J. G. Forgie; all of Pembroke, Ont.
▲11 mos. ended Dec. 31.	▲1948	800,000	242,753	107,734	37,866	...	22,000	43,119	....	3.45	....	1.65	22,494	250,995	12,538	
QUEBEC POWER CO.	1949	16,608,000	6,378,075	2,371,622	750,000	3.16	433,994	675,106	....	1.22	....	1.00	121,908	1,390,077	......	James Wilson, pres.; R. J. Beaumont, J. A. Fuller, vice-pres's; Montreal; J. N. Sicard, vice-pres. & gen. mgr., Quebec, P.Q.; M. T. Bancroft, vice-pres. & compt.; J. L. T. Martin, sec.; N. P. Woods, treas.; H. F. Beique, gen. supt.; Hon. Alphonse Raymond, P. S. Gregory, M. L. Hersey, J. B. Challies; Montreal; A. C. Picard, Gaston Pratte, Yves Montreuil, Quebec, P.Q.; J. A. Trudel, Three Rivers, P.Q.
	1948	16,784,000	5,774,254	2,130,171	625,000	2.91	354,503	632,763	....	1.14	....	1.00	79,565	907,031	......	
SAGUENAY POWER CO.	†1949	27,300,000	7,966,026	4,580,208	768,433	4.41	1,336,160	1,428,079	32.29	5.89	4.25	4.00	397,019	1,374,111	......	R. E. Powell, pres., Montreal; McNeely DuBose, vice-pres., Arvida, P.Q.; Paul LaRoque, sec.; Paul Leman, treas.; James Wilson, D. T. Bartholmew, A. W. Whitaker, Jr., J. A. Prud'homme; Montreal; J. H. Price, Quebec, P.Q.; J. A. Dullea, Westport, Conn.; N. V. Davis, Marstons Mills, Mass.
†Including Saguenay Electric Co.	†1948	28,250,000	8,328,847	4,397,475	762,775	4.41	1,149,521	1,479,356	32.40	6.10	4.25	4.00	440,099	2,241,749	......	
ST. MAURICE POWER	1948	12,575,000	1,836,129	1,141,143	305,000	1.99	194,000	222,893	*	*	*	*	......	290,170	......	James Wilson, pres., Montreal; F. G. Coburn, 1st vice-pres., New York; J. B. Challies, vice-pres. & sec.; N. P. Woods, treas.; M. Balls, G. A. Morris, John Morse; Montreal; W. B. Skelton, Lewiston, Me.; L. F. Whittemore, Pembroke, N.H.
*A and B stock; A all held by Shawinigan W. & P. Co., and B by Brown Corp.; dividends totaling $200,000 for 1947 and 1948 deducted from 1948 net profit.	1947	12,900,000	1,940,686	1,345,160	305,000	2.37	281,144	320,266	*	*	*	*	......	289,084	......	
SHAWINIGAN WATER & POWER	1949	110,543,500	28,545,025	13,066,067	3,600,000	2.56	1,848,000	3,923,129	9.81	1.43	2.00	1.20	509,229	13,786,738	421,307	James Wilson*, pres. & chm. exec. comm.; J. A. Fuller, exec. vice-pres.; R. J. Beaumont, vice-pres.; J. B. Challies, vice-pres. & exec. engr.; E. D. Gray-Donald, vice-pres. & chief engr.; P. S. Gregory, vice-pres. i/c power sales; W. F. Mainguy, vice-pres. i/c distribution; John Morse, vice-pres. i/c operations; M. Balls, A. L. J. Baribeau, asst. vice-pres's; N. P. Woods, treas.; J. L. T. Martin, sec.; C. W. Hemming, asst. treas. & compt.; N. J. Dawes*, S. G. Dobson*, J. A. Eccles, Beaudry Leman*, P. F. Sise*, Arthur Surveyer, W. B. Scott, H. G. Welsford, V. G. Bartram; Montreal; Lt.-Col. L. J. A. Amyot, Quebec, P.Q. *Exec. comm.
	1948	111,673,500	27,292,144	12,772,446	3,500,000	3.11	2,040,000	4,251,190	10.63	1.58	2.00	1.20	837,290	25,987,497	1,091,074	
SOUTHERN CANADA POWER	*1949	8,606,000	5,173,544	2,456,034	517,355	6.74	643,500	1,007,382	14.21	1.46	6.00	1.20	102,048	‡2,404,992	126,133	J. B. Woodyatt, pres. & gen. mgr.; J. M. Robertson, J. S. Wurtele, vice-pres's; J. A. Pagé, asst. gen. mgr.; V. J. Nixon, sec.; Thos. Irving, treas.; A. J. Nesbitt, P. A. Thomson, J. C. H. Dussault; Montreal; R. R. Moodie, Hamilton, Ont.; J. O. Montplaisir, Drummondville, P.Q.; W. H. Miner, Granby, P.Q.; G. St. Germain, St. Johns, P.Q.; Hon. Jacob Nicol, Sherbrooke, P.Q.; Eugène Payan, St. Hyacinthe, P.Q.
*Year ended Sept. 30. ‡Investments taken at market value in computing current assets.	*1948	6,106,000	4,604,761	2,098,257	460,475	7.64	556,275	867,007	12.23	1.10	6.00	1.20	d38,327	‡1,225,545	215,870	
WEST KOOTENAY POWER	1949	....	2,122,382	1,507,733	249,126	...	504,000	751,667	150.33	11.73	7.00	10.00	105,467	3,782,668	......	R. E. Stavert, chm., Montreal; R. W. Diamond, pres., Trail, B.C.; A. L. Johannson, vice-pres., Vancouver; R. G. Anderson, gen. mgr., Trail, B.C.; L. O. Reid, sec.-treas., Montreal; W. Evans, asst. sec.-treas., Trail, B.C.; G. F. Benson, G. A. Walker, R. H. McMaster, Montreal; E. M. Stiles, Trail, B.C.
	1948	....	1,922,281	1,324,007	219,638	...	377,211	727,157	145.43	11.32	7.00	15.00	•224,643	4,253,724	24,946	
WINNIPEG ELECTRIC	1949	28,800,000	14,758,191	5,951,422	2,305,425	3.45	899,150	1,679,066	33.58	2.53	5.00	1.40	643,761	♦1,151,798	199,313	W. H. Carter, pres. & gen. mgr.; C. S. Riley, vice-pres.; C. F. Lidster, treas. & compt.; S. N. Currie, sec.; Edward Anderson, Isaac Pitblado, Wm. Whyte, H. E. Sellers, R. D. Guy; Winnipeg; Joseph Harris, St. Boniface, Man.; A. J. Nesbitt, P. A. Thomson, Montreal; J. A. McPhail, Sault Ste. Marie, Ont.; D. H. McDougall, Toronto.
	1948	27,200,000	13,745,117	5,165,080	2,280,557	2.82	589,500	1,269,928	25.40	1.81	5.00	1.00	460,058	♦477,131	219,800	
HOLDING CO'S																
B. C. POWER CORP.	1949	88,639,251	39,777,331	13,191,069	4,724,453	3.25	2,248,980	2,303,258	*†1.86	‡d0.18	†1.60	‡nil	607,258	♦1,888,385	1,150,000	A. E. Grauer, pres.; W. C. Mainwaring, T. Ingledow, A. B. Robertson, vice-pres's; Vancouver; E. W. Arnott, vice-pres., Victoria; J. Lorn McLean, vice-pres. & treas.; J. A. Brice, sec.; G. T. Cunningham, J. L. Trumbull, W. G. Murrin; Vancouver; R. H. B. Ker, N. A. Yarrow, Victoria; J. G. Robson, New Westminster, B.C.; S. G. Dobson, Severe Godin, A. J. Nesbitt, P. A. Thomson, J. B. Woodyatt; Montreal; J. H. Gundy, Toronto; E. R. Crammond, A. P. Holt, London, Eng.
†Class A. ‡Class B. *Based on 1,240,000 shs. o/s at Dec. 31, 1949; based on average no. of shs. o/s during year class A earned $2.24.	1948	72,478,650	37,031,864	10,797,957	3,407,925	3.96	1,952,250	2,603,485	†2.60	‡0.30	†1.60	‡nil	1,003,485	♦3,182,770	1,264,500	
FOREIGN POWER SECURITIES	*1949	842,250	150,199	139,386	......	1.34	......	35,368	0.71	d2.12	nil	nil	35,368	......	......	A. J. Nesbitt, pres.; J. B. Woodyatt, vice-pres.; V. J. Nixon, sec.; Thomas Irving, treas.; L. C. Haskell, P. A. Thomson, E. R. Parkins, G. M. Todd, Montreal; Robt. Despres, Paris, France.
*Year ended Oct. 31.	*1948	1,684,500	37,017	14,488	......	0.14	......	•98,225	d1.96	d3.19	nil	nil	•98,225	......	......	
INTERNATIONAL HYDRO-ELEC.	▲1948	†18,597,600	2,615,964	2,488,820	......	2.23	......	1,372,964	9.61	1.02	nil	nil	1,372,964	†♦15,591,187	......	I. L. Moore, pres., Boston, Mass.; G. G. Gale, vice-pres., Ottawa; L. J. Catheron, sec. & treas.; Hon. J. B. Ely, H. I. Harriman, C. S. Herrmann, Boston, Mass.; Lt.-Col. W. F. Hadley, Hull, P.Q.; P. H. Todd, Kalamazoo, Mich.; J. D. Anthony, B. D. Barker, A. S. Dewing, D. G. Harris, Howell Van Auken. Trustee—B. A. Brickley.
▲General statment. †6% debentures matured Apr. 1, 1944, included in current liabs. by co.	▲1947	†18,597,000	2,441,928	2,316,017	......	1.57	......	841,493	5.89	0.40	nil	nil	841,493	†♦16,964,114	......	
INTERNATIONAL POWER	♦1948	1,400,000	6,710,139	▲2,273,593	656,620	20.19	......	2,051,498	25.64	15.84	1.25	nil	1,951,498	1,648,615	......	I. W. Killam, pres.; F. C. Clarke, sec.-treas.; R. D. Bell, A. F. Culver, H. J. Symington; Montreal; Col. J. H. Price, Quebec, P.Q.; G. MacG. Mitchell, Halifax; Frederick Krug, Westmount, P.Q.; L. G. Proctor, Hudson, P.Q.
♦Consolidated statement. ▲Including profit on sale of bonds. ‡Based on new (1948) capitalization. *New 5% pref. only. †On old 6% pref.; initial on new 5% pd. July 2, 1948.	♦1947	5,474,000	6,762,208	▲2,017,412	840,192	9.69	......	1,670,658	‡*20.88	‡12.55	†3.00	nil	1,430,658	3,916,650	......	
INTERNATIONAL UTILITIES	1949	18,107,783	10,204,111	3,928,692	579,861	...	1,101,952	1,429,815	....	1.82	....	1.00	644,420	1,951,277	194,399	*Howard Butcher, III, pres. & chm. of board; A. D. McNab, *S. F. Raymond, Harry Williams, Jr., vice-pres's; E. M. Butler, sec. & treas.; *T. S. Watson, F. W. Clarke, Jr., New York; W. E. Warner, Media, Pa.; *F. B. Wilcox, Province, R.I.; H. R. Milner, Edmonton, Alta.; Col. L. D. M. Baxter, Winnipeg, Man.; J. P. Crawford, Jr. *Exec. comm.
	1948	12,460,000	8,743,573	3,359,254	491,386	...	841,147	1,330,584	....	1.69	....	0.95	584,478	2,912,133	287,082	
POWER CORPORATION	*1949	5,850,000	1,926,365	1,668,971	......	8.39	142,000	1,314,043	†26.28	1.60	†6.00	0.80	356,951	836,850	......	A. J. Nesbitt, pres.; P. A. Thomson, vice-pres.; J. B. Woodyatt, vice-pres. & gen. mgr.; V. J. Nixon, sec.; Thos. Irving, treas.; J. M. Robertson, J. A. Raymond; Montreal; R. R. Moodie, Hamilton, Ont.
*Year ended June 30. †1st pref.	*1948	6,000,000	1,713,610	1,468,408	......	6.92	109,180	1,112,589	†22.25	1.15	†6.00	0.60	244,770	550,904	......	
UNITED SECURITIES	*1950	1,697,000	25,548	21,960	......	0.29	......	•54,134	....	d1.06	nil	nil	•54,134	......	......	James Wilson, pres.; G. C. McDonald, vice-pres.; J. L. T. Martin, sec.; N. P. Woods, treas.; J. A. Fuller, Bernard Lacasse, L. E. Potvin, J. A. Savoie, W. B. Scott; Montreal.
*Year ended Mar. 31.	*1949	3,351,500	71,062	67,018	......	0.67	......	•33,609	....	d0.66	nil	nil	•33,609	......	......	
GAS AND HEATING																
CONSUMERS' GAS CO.	*1949	4,840,000	13,252,828	......	......	...	......	2,106,952	....	4.85	....	8.00	942,536	5,790,883	......	A. L. Bishop, pres.; E. J. Tucker, vice-pres. & gen. mgr.; H. G. Smith, sec.; F. S. Corrigan, M. R. Gooderham, J. G. Parker, J. A. Northey, W. C. Laidlaw, R. R. Corson, J. K. Macdonald, The Mayor of Toronto; Toronto.
*Year ended Sept. 30.	*1948	5,000,000	11,749,224	......	......	...	......	1,884,084	....	6.50	....	8.00	719,668	7,076,002	......	
NORTHWESTERN UTILITIES	1949	14,256,200	3,515,329	1,808,297	†198,614	6.78	387,141	943,572	26.96	‡	4.00	‡	344,572	1,216,424	113,750	H. R. Milner, chm., Edmnton; F. A. Brownie, pres.; D. K. Yorath, gen. mgr.; F. A. Smith, compt.; C. L. Metcalfe, sec., Calgary; J. B. Whelihan, treas.; E. W. Bowness, O. C. McIntyre, Ronald Martland; Edmonton; H. W. Francis, Calgary; A. D. McNab, New York; J. R. Munro, A. M. MacDonald.
†Amort. reserve. ‡Common all owned by Inter. Utilities Corp.	1948	6,400,000	3,011,889	1,652,327	†176,034	6.71	334,765	879,866	25.14	‡	4.00	‡	327,366	1,458,439	148,043	
UNION GAS CO.	*1949	1,250,000	5,730,232	2,217,810	684,774	14.32	455,000	704,803	....	1.00	....	0.12½	616,628	1,430,248	......	S. A. Morse, chm., Chatham, Ont.; D. P. Rogers, pres.; R. L. Warren, 1st vice-pres.; Toronto; R. L. O'Brian, vice-pres., Buffalo; Thos Weir, gen. mgr.; F. Palin, compt., sec. & treas.; Chatham; W. L. Duffield, London, Ont.; C. M. Kennedy, Buffalo; H. J. Mero, Windsor; T. Montgomery, Sarnia; W. J. K. Vanston, New York.
*Year ended Mar. 31.	*1948	1,500,000	4,406,622	1,298,640	645,011	3.91	170,000	154,624	....	0.22	....	0.20	13,384	1,495,629	......	
UNITED FUEL INVESTMENTS	*1949	3,700,000	....	1,750,741	251,126	9.79	457,000	879,636	*9.77	‡3.82	*3.00	‡nil	609,636	1,691,134	30,632	D. P. Rogers, pres., Toronto; S. B. Severson, vice-pres., Buffalo; T. P. Pinckard, gen. mgr. of subsids., Hamilton; F. Palin, compt., sec. & treas., Chatham; R. L. O'Brian, Buffalo; Thomas Weir, Chatham; H. D. Hancock, C. E. Weger, New York.
*Year ended Mar. 31. *Cl. A pref. ‡Cl. B pref. & com.	*1948	3,900,000	....	1,406,166	239,990	7.37	489,300	508,815	*5.65	‡1.50	*3.00	‡nil	238,815	1,251,100	32,043	
COMMUNICATIONS																
ANGLO-CANADIAN TELEPHONE	1949	....	823,003	723,099	......	...	3,556	692,778	5.54	*0.84	2.25	*0.60	119,268	749,059	......	A. F. Adams, chm., Wilmington, Del.; F. S. Spring, pres., Chicago; J. A. Code, Jr., T. S. Gary, vice-pres's, Chicago; Gordon Farrell, V. E. Chaney, vice-pres's, Vancouver; Cameron Hough, sec. & treas., Montreal; G. L. Grawols, F. H. Woods, Jr., Chicago; R. L. Benson, M. A. Colefax, Viscount Hinchingbrooke, Sir Alexander Roger, London, Eng.; E. E. Evans, Vancouver; Hugh Mackay, Rothesay, N.B.; J. C. Newman, A. S. Torrey, Montreal; Emmett Swanson, Ft. Wayne, Ind.; A. E. Carlson, Wilmington, Del.; T. C. Woods, Lincoln, Neb.
*Class A only.	1948	....	828,003	738,532	......	...	10,370	701,329	5.61	*0.88	2.25	*0.60	136,919	555,082	......	
AVALON TELEPHONE	1948	1,818,000	549,570	273,287	90,360	2.66	38,412	75,874	†1.72	1.82	‡	1.75	705	197,726	......	R. J. Murphy, pres. & man. dir.; S. H. Morris, sec.-treas.; G. Brownrigg, M. E. Martin; St. John's, Nfld.; E. S. Morse, J. A. Weldon, Montreal.
†On all pref. shares. ‡Dividends paid regularly on all three classes.	1947	1,836,000	478,886	237,318	75,917	2.31	31,453	60,198	†1.79	1.82	‡	1.75	655	466,936	......	
BELL TEL. OF CANADA	1949	160,659,540	109,506,842	33,939,908	15,521,670	3.64	4,500,000	7,481,396	....	1.20	....	2.00	•5,003,429	2,982,910	4,103,384	*C. F. Sise, chm.; *Fredk. Johnson, pres.; *R. V. Macaulay, exec. vice-pres.; J. H. Brace, T. W. Eadie, vice-pres's; R. H. Keefler, asst. to pres.; S. C Scadding, sec.; J. R. Logan, treas.; E. A. Rolph, gen. mgr., Montreal; H. G. Young, gen. mgr., Toronto; John Cleugh, compt.; *W. F. Angus, *Hon. C. A. Dunning, *J. A. Eccles, *C. E. Gravel, *P. F. Sise; Montreal; L. J. A. Amyot, Quebec; R. A. Laidlaw, Henry Borden, Toronto; C. G. Cockshutt, Brantford; Hon. S. C. Mewburn, Hamilton; C. F. Craig, New York. *Exec. comm.
†New stock, after 4 for 1 split effected Oct. 1, 1948. ‡Paid 50c per new share and $6.00 per old share.	1948	115,385,719	97,498,652	33,863,466	13,075,022	5.53	5,790,000	10,576,574	....	†2.08	....	‡	389,918	1,122,627	5,782,177	
B. C. TELEPHONE	1949	29,354,000	13,078,018	*3,605,819	1,878,684	1.63	......	578,393	†57.84	1.37	6.00	8.00	•397,857	5,404,795	95,782	F. S. Spring, chm., Chicago; Gordon Farrell, pres.; James Hamilton, vice-pres.; C. B. Diplock, vice-pres. & gen. mgr.; J. E. Carlile, sec. & compt.; H. M. Boyce, treas.; P. A. Woodward; Vancouver; Hon. G. H. Barnard, Victoria; V. E. Chaney, T. S. Gary, J. A. Code, Jr.; Chicago; A. S. Torrey, Cameron Hough, Montreal.
*After inc. tax. †6% preference only.	1948	26,500,000	12,158,896	*3,532,088	1,648,443	1.88	......	794,070	†79.41	6.46	6.00	8.00	•32,128	8,190,405	148,160	
EASTERN TWPS. TELEPHONE	1949	....	264,787	59,294	23,280	...	14,511	21,503	....	0.88	....	1.00	•2,973	♦69,180	11,572	F. C. Whitaker, pres., Montreal; H. B. Fletcher, vice-pres.; C. M. Campbell, sec.-treas.; J. W. Neilson, mgr.; Carlos C. Skinner, Sherbrooke, P.Q.; M. G. Evans, R. A. Williams, A. E. Vivyan; Montreal; J. W. Quinn, Windsor, P.Q.; C. L. Jenkins, Rock Island, P.Q.; H. B. Hopkins, Bury, P.Q.; E. T. McGovern, Richmond, P.Q.
	1948	....	241,027	66,883	19,748	...	17,588	29,547	....	1.21	....	1.00	8,529	18,166	15,102	
MARITIME TEL. & TEL.	1949	6,000,000	5,118,063	2,109,680	697,411	7.41	455,702	765,236	5.10	1.10	0.70	0.80	182,802	512,880	282,255	*W. A. Winfield, pres. & man. dir.; *E. L. MacDonald, vice-pres.; J. E. Richardson, sec. & gen. counsel; S. P. Conrod, treas.; F. H. Doyle, compt.; *A. M. MacKay, gen. mgr.; *C. A. B. Bullock, *F. D. Smith; Halifax; A. J. Campbell, Truro; Frederick Johnson, R. V. Macaulay, Montreal; George Killam, Yarmouth; M. R. Chappell, Sydney; J. W. MacLeod, New Glasgow; C. J. Morrow, Lunenburg. * Member executive committee.
	1948	6,000,000	4,532,703	1,879,162	630,310	6.56	368,653	690,007	4.60	1.31	0.70	0.80	231,915	2,549,696	473,659	
MONTREAL TELEGRAPH	1949	....	170,230	161,275	......	...	55,611	105,664	....	2.11	....	2.00	5,664	......	......	C. F. Sise, pres.; Lt.-Col. A. A. Magee, vice-pres.; H. V. Gilbert, sec. & treas.; G. F. Benson, Lt.-Col. William Leggat, H. M. Rawlings; Montreal.
	1948	....	170,109	164,579	......	...	48,510	101,579	....	2.03	....	1.94	4,579	......	......	
NEW BRUNSWICK TELEPHONE	1949	3,500,000	4,186,739	1,618,414	702,025	8.34	303,140	503,351	....	0.45	....	0.50	•56,983	1,290,092	37,053	H. P. Robinson, chm., Saint John; *Hon. G. P. Burchill, pres., South Nelson; *W. E. Golding, vice-pres.; A. J. Thompson, sec.-treas.; G. M. McKiel, compt.; H. G. Black, gen. mgr.; W. C. Allison; Saint John; J. M. Robinson, Rothesay; *J. L. Black, Sackville; *A. D. Ganong, St. Stephen; Hon. G. B. Jones, Apohaqui; Frederick Johnson, *R. V. Macaulay, Montreal; *E. W. Mair, Woodstock; Pius Michaud, Edmundston; Harry O'Leary, Richibucto; Leonard Lockhart, Moncton; A. R. Clark, Fredericton. *Member exec. comm.
	1948	1,500,000	3,659,648	1,409,381	579,509	9.65	254,862	489,026	....	0.51	....	0.50	11,611	586,538	57,798	
NORTHERN TELEPHONE	1949	....	1,076,323	228,957	123,384	...	35,932	66,139	....	0.071	....	0.08	11,144	♦61,087	......	T. McCamus, chm.; F. L. Hutchinson, pres.; P. R. Craven, vice-pres.; D. McKelvie, sec.-treas.; P. R. Craven, R. A. H. Taylor, L. L. Woods; New Liskeard, Ont.
	1948	....	988,624	211,893	107,921	...	37,831	63,120	....	0.126	....	0.10	15,321	♦147,510	......	
OKANAGAN VALLEY TELEPHONE *For period Nov. 21, 1947, to Dec. 31, 1948.	*1948	750,000	467,637	198,757	45,454	7.80	44,094	80,192	1.60	1.10	0.40	0.40	......	2,686	5,569	*Ross Peers, pres.; B. H. Gunning, vice-pres.; William Fitch, sec.-treas.; L. J. Ladner, *R. M. Brink, *F. A. Sherrin, A. F. Wright, Colin Campbell; Vancouver. *Voting trustee.
QUEBEC TELEPHONE CORP.	1949	2,170,000	1,121,795	404,627	152,396	3.10	66,040	100,964	†2.78	‡0.81	‡0.40	†nil	86,449	6,119	6,371	Hon. J. A. Brillant, pres.; T. A. Bernier, vice-pres. & gen. mgr.; Norman Gendreau, vice-pres. & treas.; P. E. Gagnon, sec.; F. C. Doak, gen. supt.; J. R. Bernier, Julien Thuot; all of Rimouski, P.Q.
†Class. A. ‡Class B.	1948	2,185,000	934,465	266,738	100,004	2.66	37,819	62,529	†1.72	‡d0.29	‡0.40	†nil	48,014	95,770	8,053	
SAGUENAY-QUEBEC TELEPHONE	1949	1,355,000	779,569	272,433	133,522	2.66	37,549	42,260	†3.52	0.13	†1.25	nil	15,260	278,600	1,454	Antoine Dubuc, pres.; J. L. H. Dubé, 1st vice-pres. & gen. mgr., Chicoutimi, P.Q.; Guy Vanier, 2nd vice-pres., Montreal; Albert Dupont, sec.-treas.; Jean Dubuc, Louis Dubuc; Chicoutimi; S. M. Duncan, J. M. Hay, H. D. Rolland, R. A. Williams; Montreal.
†Class A only; on class B earned $13.63 per sh. in 1949, $15.10 in 1948; paid $6 per sh. both years.	1948	1,355,000	675,518	239,398	107,148	2.94	28,620	44,624	†3.72	0.26	†1.25	nil	18,206	186,507	8,948	
TRAMWAYS & OTHER CO'S																
BRAZILIAN TRACTION	1948	▲18,364,335	102,178,567	38,424,435	8,136,196	...	......	27,086,242	6.885	3.85	6.00	2.00	13,008,357	10,195,771	......	Henry Borden, pres.; E. C. Fox, Arnold Gaine, vice-pres's; G. R. F. Troop, vice-pres. & treas.; C. H. N. Ashlin, F. A. Schulman, assts. to pres.; Osborne Mitchell, sec.; S. H. Logan, N. D. Wilson, Col. Walter Gow, Beverley Matthews, E. G. Burton, W. E. Phillips; Toronto; J. A. Eccles, G. B. Gordon, Montreal; Sir Eric Gore-Browne, Hon. Maurice F. P. Lubbock, Edward Holland-Martin, John Phillimore, London, Eng.; H. B. Style, Rio de Janeiro; Dr. E. E. de Souza, Sao Paulo, Brazil; Clarance Stanley, New York.
▲Of subsids.	1947	▲19,572,537	93,082,308	35,984,832	6,601,311	...	......	25,981,384	6.604	3.69	6.00	2.00	11,903,835	18,265,612	......	
ELK CREEK WATERWAYS	1949	440,500	100,204	69,960	25,830	2.31	7,350	16,506	....	0.31	....	nil	16,506	47,853	......	Ross Peers, pres., Chilliwack, B.C.; B. H. Gunning, vice-pres.; William Fitch, sec.; R. M. Brink, L. J. Ladner, F. A. Sherrin, C. D. Campbell; Vancouver.
	1948	350,000	91,166	62,801	22,920	2.72	8,800	15,550	....	0.29	....	nil	15,550	27,330	......	
MONTREAL TRAMWAYS	1949	38,747,400	26,471,366	1,555,689	750,000	†0.92	......	•897,439	....	d12.82	....	nil	•897,439	4,298,213	291,884	R. N. Watt, pres.; W. F. Macklaier, vice-pres.; Arthur Duperron, gen. mgr.; T. D. Robertson, sec.-treas.; C. E. Gravel, Beaudry Leman, G. C. McDonald, J. A. Savoie, W. Taylor-Bailey, James Wilson; Montreal.
†Before deprec. *Incl. bank interest.	1948	39,447,400	24,743,632	1,386,822	500,000	*†0.81	......	•842,415	....	d12.03	....	nil	•842,415	4,228,848	291,884	

•Loss or deficit. d Deficit per share. ♦Excess of current liabilities over current assets.

12,000 Prairie Farms Get Power in '50

Projects Under Way to Keep Up With Growing Demands

Expansion of power generating, transmission and distribution equipment highlights the prairie power industry. Generation has been increasing at a percentage rate that slightly exceeds the rest of the country as farms, shops, factories, mines use more horsepower, more kilowatts.

The rural program this year will add more than 12,000 farms to electrified agriculture. In Manitoba, the power commission will add 5,000. In Alberta, the two main private companies will add about 5,000. Calgary Power plans around 3,000; Canadian Utilities, at least 1,000. In Saskatchewan, the government's Saskatchewan Power Corporation has 2,400 farms slated for service.

Advancing rural electrification has been having results. Farm life has been changing, more farm youth will be staying on the farm, it's believed. Sales of appliances have been climbing as farmers go in for toasters, heating pads, electric fans as well as production equipment like milkers, barn lighting, motors for feed grinders, pumps.

In Alberta, coal mines also provide a market for electric power. Manitoba's large factory industry is a first rate customer. In the generating picture, Manitoba is expanding hydro facilities on the Winnipeg River, by far the province's main source of power. It's just a question of building the new capacity fast enough. Premier D. L. Campbell has said demand may outstrip production even after the new Pine Falls development is completed. A Boundary Falls site, just over the Ontario border, is being studied jointly with Ontario.

Calgary Power is planning additional power in the mountains, which have supplied power in insufficient amounts in recent years with present generating capacity. Canadian Utilities is also meeting increasing demands.

Saskatchewan has sold $5 millions debentures to help its corporation's expansion. There's a possibility of hydro if the South Saskatchewan River project with the Federal Government goes through.

Calgary Power

Calgary Power Ltd. supplies the entire electric requirements of the municipal utilities of Calgary, Red Deer, Cardston, Macleod, and Ponka, Alberta, and supplies electricity to the Saskatchewan Power Commission near Macklin. Electricity is distributed retail in Wetaskiwin and in more than 36 towns and 80 villages and hamlets, and in bulk to some 136 industrial users, most important being the ammonia plant of Consolidated Mining & Smelting Co. The new Alberta oil fields and refineries are becoming more and more important as power consumers. Water is distributed in four municipalities.

In 1949, the company was forced to purchase all available energy from interconnected sources and operate its steam plant to the maximum, as the spring and summer run-off, on which it is dependent for refilling its reservoirs, was the lowest in the 40 years of record. This was coupled with a rapid expansion in business and resulted in the cost of steam generated and purchased energy rising by $818,010. This situation will be somewhat relieved by the spring run-off in May and more so when first of the three power plants of the Spray project gets into operation in the late autumn. Full benefit of this new plant will not be felt, however, until the Spray reservoir is filled in late summer 1951, as most of the spring and summer run-off from the tributary area will be needed for filling the large volume in the reservoir lying below the power plant intake.

To supply the rapidly growing load and generate all its energy requirements by hydro in a year of average river flow, work is going ahead on the 23,000 hp. Rundle plant, which forms part of the Spray development, and a 12,000 hp. extension to the Kananaskis plant on the Bow River. Both are expected to be in service in 1951.

Total installed capacity is now 107,550 hp. Plants of the Spray development, along with the Kananaskis extension, will boost this to 208,150 hp.

To finance this year's construction program, $1 million 4½% preferred shares have already been sold and arrangements have been made to issue $6 million 3½% bonds. Capital expenditures in 1950 and 1951 are estimated to exceed funds available from current revenue by about $10 million, so that approximately $3 millions will remain to be raised after the bond issue.

Gross revenues jumped $642,799 to $5,390,316 in 1949. Operating expenses, of which $1,314,973 represents purchased and steam generated energy, were $2,568,195, an increase of $741,592. Net profit dropped slightly to $1,125,412, from $1,131,911.

Can. Utilities

Canadian Utilities Ltd. generates, transmits, distributes and sells electrical energy for light, heat and power in eastern and northern Alberta. It is controlled by International Utilities Corp. and has three main service areas: Drumheller, Vermilion and Grande Prairie.

Steady growth has featured the company's operations in the last 25 years and 1949 was no exception. Sales of electric energy rose to $1,665,411 from $1,324,729 in 1948. In terms of K.W.H., sales were up 76% and a total of 2,522 new customers were added to the systems. Reflecting this, net profit advanced a sharp 43% to $405,082.

Further progress toward integration of the various electrical systems and creation of a province-wide grid was shown, with interconnections made between the Drumheller and Vegreville systems and the lines of Calgary Power Ltd. Generating plants, as a result, were able to provide supplementary electric energy to areas of the province dependent on hydro-electric power but now in short supply.

Additional transmission lines totaling 165 miles were built and 17 new communities added. Gross capital outlays amounted to $1,079,475. Expansion into farm areas is being rapidly developed, with electrical service now being brought to 1,422 farmers. The company expects to connect at least another 1,000 farms in 1950.

In December, 1949, $750,000 of 3 2/5% sinking fund bonds due Dec. 1, 1974 were sold at par. At Dec. 31, the trustee for the bonds held $501,386, which may be withdrawn at 100% against cost of future capital additions.

Working capital at the year-end amounted to $778,200, against $756,101 a year earlier.

Churchill River

Churchill River Power Co. is a wholly owned subsidiary of Hudson Bay Mining & Smelting Co. A lease is held on the site on the Churchill River extending for 50 years from 1931. Besides providing power for the main Flin Flon mine and the Schist Lake mine, the company supplies power under contract to Sherritt Gordon, Cuprus Mines, Howe Sound Exploration Co. and Newcor.

The Island Falls hydro-electric plant operated without major interruption during 1949 and hit a new high in output — 499,263,500 kilowatt hours, against 479,870,200 in 1948.

Elevation of the water storage in Reindeer Lake was maintained at a high level. Precipitation for the entire Churchill watershed was above the previous four-year average and totaled 19.70 inches.

Manitoba Power

Manitoba Power Commission serves cities, towns, villages and many farms in Manitoba with electricity.

The Commission's rural electrification program forged ahead in the year ended March 31, 1949. A total of 38 communities were electrified and extensions to 18 others were under way at the fiscal year end. Applications were received from 52 towns and villages for inclusion in the 1949 program. As a result of connections at locations previously served and the connection of new towns and villages, 3,217 domestic, commercial and power services were added to the system. Sixty-four communities improved their street lighting installations.

Industrial expansion in rural Manitoba was shown by an appreciable boost in electric power sales to industrial consumers and the relatively large number of new industrial services connected.

A record high was registered in electricity purchased and generated — 156,632,763 kwh, up 26%. This rise has continued well into 1949 with the December, 1949, output showing a 36.5% increase over the same 1948 month. Total peak load hit a point nearly 45% higher than any other year.

This load increase necessitated major system improvements, including additional main transmission line capacity. Capital investments in fixed assets and work in progress increased by $6,172,096. The Commission's $1 million Parkdale terminal station and 115,000 volt Parkdale to Brandon transmission line was "switched" into operation in August. This new line has the second highest transmission voltage in the province and has relieved the overload on other transmission lines.

Total income for the year jumped to $3,513,188 ($2,900,527 in 1947-48) and net profit was $450,900, a gain of $88,099.

National L & P

National Light & Power Co. serves Moose Jaw, Sask., and surrounding district with electric light and power. Its exclusive franchise in Moose Jaw runs to 1971. The company also sells electricity wholesale to the Saskatchewan Power Commission. Plant capacity is 20,000 kw. with auxiliary steam equipment and the company has between 7,000 and 8,000 meters in Moose Jaw and on farms in the surrounding area.

Operating revenue in 1949 increased to $1,182,697, from $1,053,783 in 1948. After expenses, net earnings available for bond interest totaled $484,572 ($488,922), and after all charges, including $99,900 common dividends, a net deficit of $7,973 was shown.

Capitalization at the year end consisted of $1,065,000 common stock, $2,273,000 4½% bonds and $200,000 5% bonds. Sterling Gas & Electric Co. holds 110,093 shares, out of 111,000 issued.

Sask. Power Corp.

Saskatchewan Power Corp. is a Crown Corporation generating and distributing power in Saskatchewan. Up to February, 1949, it was known as a Commission but at that time the operating utility was converted into a corporation, with the Commission being retained as a regulatory body to look after interests of points in the province not yet served.

Outstanding feature of 1949 operations was inauguration of a new farm electrification policy. The Rural Electrification Act was passed by the 1949 Legislature, involving considerable expansion into farm areas. A total of 1,142 rural services were connected to the system and the aggregate receiving service at the year end was 2,608 — up 85% from 1948.

Transmission network was extended to 47 more towns, boosting the total served to over 400.

Biggest construction project was completion of the high tension line between Estevan and Yorkton, making power generated in the Estevan steam plant available in the Grenfell, Melville and Yorkton areas, formerly served by diesel plants.

At Estevan, a new 5,000 kw. generating unit and an 80,000 lb. per hour boiler unit were placed in commercial operation in January, 1949. Another 15,000 kw. unit is expected to be operating before the end of the year. At Prince Albert, a 7,500 kw. turbo-generating unit was placed in operation in March, 1949, increasing capacity there to 12,200 kw.

Exceptional increases in power used by the City of Saskatoon and by the Saskatchewan Power Commission's lines have made more capacity at Saskatoon necessary. Contract has been awarded for construction of an extension to the power plant building to house a new 180,000 lb. per hour boiler. Investment in fixed capital increased by $3,623,185.

Net kilowatt hours generated and purchased rose 15% over 1948 to total 180 million kwh. In addition, 21 million kwh. were bought for resale. Total revenue from power sales jumped 11% to $5,566,006.

System peak load was 12% higher at 60,235 kw. (81,000 hp) and 6,618 new customers were added, boosting the total meters in service to 57,855.

Winnipeg Electric

Winnipeg Electric Co. owns and operates electric power, electric light, railway and gas systems in Winnipeg and surrounding districts. The company competes with a municipally-owned electric light and power distribution system in the city.

Actively engaged in expansion, the company spent a total of $5,236,899 in 1949. Biggest part of this, $4,012,037, was spent in the Seven Sisters Falls power plant and the new transmission line, boosting the total spent on this plant since 1946 to $9,156,336. The new section of the powerhouse was almost completed and the No. 4 unit put into operation in December; No. 5 is slated for the early summer. Except for minor finishing, the dykes to raise the head of the water were completed and the additional head obtained from these dykes will be available this summer. Installed capacity at Seven Sisters now stands at 150,000 hp. and installation of the 5th unit will raise it to 187,500 hp. After that there is provision for a 6th unit to further increase it to 225,000 hp. Plans are to close down the Pinawa power plant (capacity 30,000 hp.) to provide the full flow of the river through Seven Sisters, where more value is obtained from the water because of the increased load. Other capital expenditures on the electrical utility amounted to $823,407.

In the transportation field continued modernization was shown with the addition, in December, of 48 new trolley buses at a cost of about $247,000. Rubber-tired vehicles now carry about 58% of the company's passengers.

Gas utility expenditures totaled $19,531.

Due to these big outlays and despite a $2 million bond issue, working capital has been "temporarily impaired" — a $1,151,799 excess of current liabilities over current assets was shown at the year end.

Operations in 1949 resulted in a jump in gross revenues to $14,470,693, from $13,538,974 in 1948, with each division recording increases. Gross from electricity sales rose 10.2% to $6,764,449, with operating expenses 3% higher. A boost in bulk power sales to the Manitoba Hydro-Electric Commission and connection of 8,595 new services upped connected load to 64,066 hp. Peak load on the system was 337,000 hp. and total output amounted to 1,362,589,300 kilowatt hours.

Transportation gross showed a $398,787 increase despite a drop of 2,205,877 in number of passengers carried. Chiefly due to higher wages, operating expenses were up 5%.

The gas utility division showed a 4.25% increase in cu. ft. sales, reflecting a full year's operation under the increased gas rates granted in Oct. 1948. The entire domestic coke production of 46,400 tons was readily absorbed by the local market.

Winnipeg Hydro

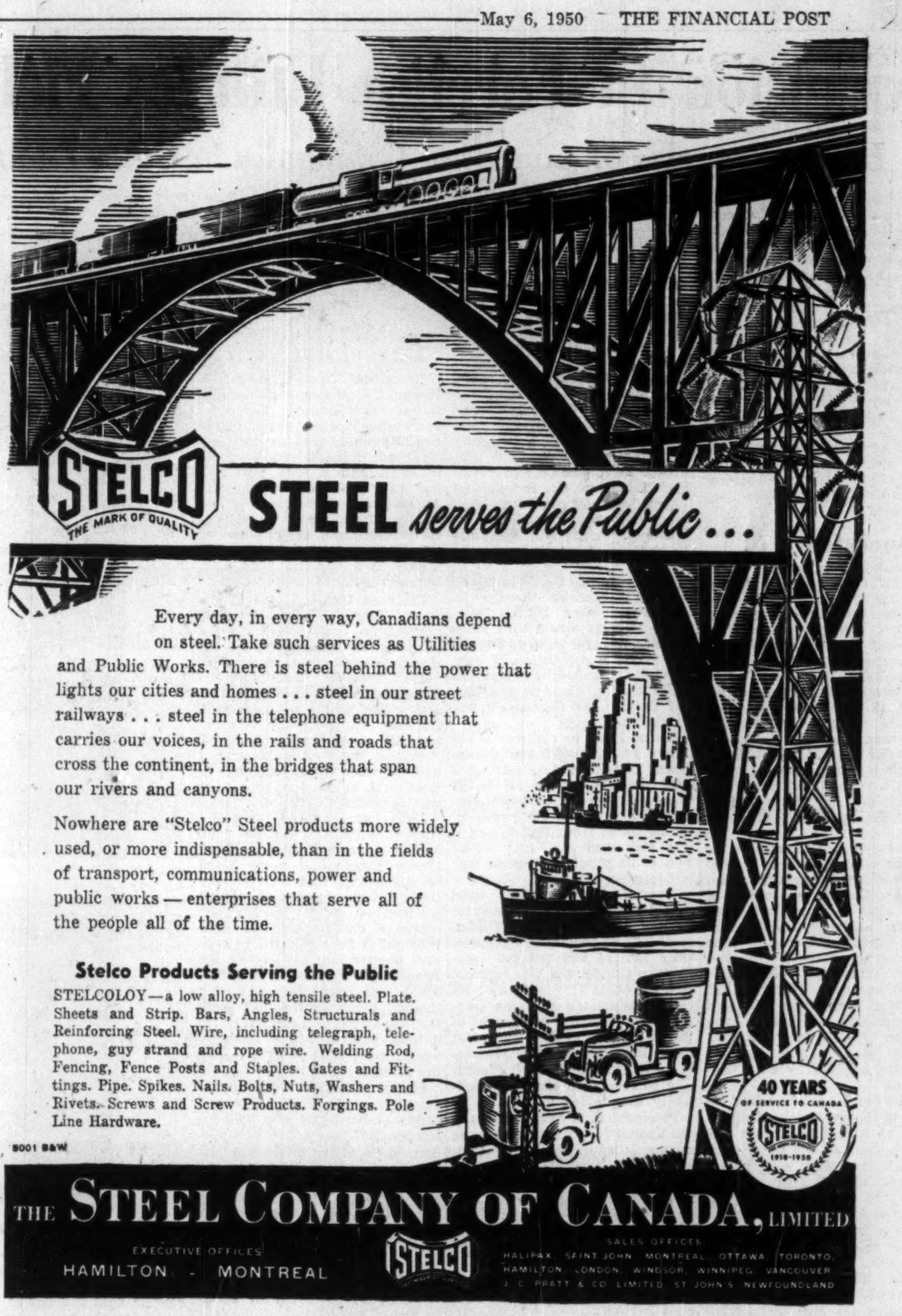
Winnipeg Hydro-Electric System provides electric light and power for Winnipeg and district and its subsidiaries sell steam for heating purposes from the central plant.

Three new substations were opened in 1949, with a fourth soon to be in operation, and extensions are being made to two of the original three substations to double their capacities. The 69,000-volt loop circuit, circling the city and connecting the four new substations, was completed. This is stated to increase many times the reliability of service to large areas of the south, west and north sections of Winnipeg.

Important additions to the steam plant included a 230 ft. chimney, a 125,000-pounds-of-steam-per-hour boiler, a track hopper for unloading coal cars, a skip hoist pit and shaft and completion of a new one-story office.

Total revenue from electricity sales was 4.54% higher and gross revenue of the system rose to $5,197,200 from $4,977,013 in 1948. Total expense jumped to $3,997,026 ($3,628,833) and net profit was down at $1,200,173 ($1,348,180).

Average domestic consumption of power was 6,421 kilowatt hours (6,245).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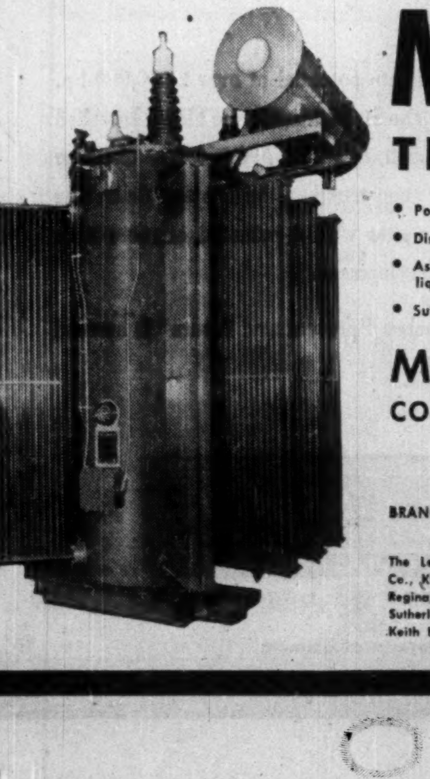
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Expansion in Foreign Utilities Fields

Here's Progress of Canadian Companies in Other Lands

Canadian investment interest in public utility companies operating outside Canada is substantial, covering tramway, electric light and power, gas water and telephone businesses. It extends to Rio de Janeiro, Sao Paulo and Santos in Brazil; telephone companies operating in the Dominican Republic, the Philippines and South America; power companies in Mexico, hydro-electric power and bituminous gas companies in Spain besides investment and utility companies in United States.

Most of these foreign investments are faced with problems peculiar to themselves and arising from the country in which they are located.

Associated T & T

Associated Telephone & Telegraph Co. is a holding company controlling directly and indirectly telephone operating companies, telephone equipment manufacturing and sales companies, and other organizations doing a related business.

Company holds substantial interests in concerns operating telephone systems in Colombia, Dominicana and the Philippine Islands and in addition, telephone equipment manufacturing and sales firms, the most important of which are Automatic Electric Co. and Phillips Electrical Works Ltd.

Shareholders authorized the company in May, 1947, to dispose of its holdings in Anglo-Canadian Telephone Co. These consisted of 212,671 class A shares and 200,000 deferred shares. The deferred shares were transferred in June that year to company's wholly-owned subsidiary, Automatic Electric, as a capital contribution. The shares were then sold to a noncontrolled affiliated company for $150,000, of which $10,000 was paid in cash and the remaining $140,000 by a 3% ten-year note.

Automatic Electric retained an option to repurchase the deferred shares at any time within the next 10 years at the same price at which they were sold, plus a premium of 1% per annum. Shares are held by Automatic Electric as security for the carrying out of the option and for the ten-year note.

Proceeds of sale of Anglo-Canadian Telephone shares are being used in part by Associated to acquire its own debentures and first preferred stock. At April 20, 1949, it still held 127,671 class A shares of Anglo-Canadian.

Operations of the various operating subsidiaries continued at a high level in 1949, and earnings are expected to be ahead of the previous year's results. Net profit in 1948 was $474,065 after appropriating $100,000 for contingencies, compared $302,214 in 1947.

Anglo-Can. Tel.

Anglo-Canadian Telephone Co. is a holding company with investments in companies owning telephone systems in British Columbia, the Dominican Republic and the Philippine Islands.

British Columbia operating companies are B. C. Telephone Co., Canadian (B. C.) Telephone & Supplies Ltd., Chilliwack Telephones Ltd., Dominion Directory Co., Kootenay Telephone Co., Mission Telephone Co. and North-West Telephone Co. It holds all the ordinary stock and loan capital of Compania Dominicano de Telefonos, C. por A., operating the system serving the Dominican Republic.

Exclusive of the Philippine Islands, it controls through its subsidiaries over 200,000 telephone stations along with long-distance, toll and wireless circuits and serves a population of over 3.5 millions, including such areas as Vancouver, Victoria, and Ciudad Trujillo and Santiago in the Dominican Republic.

It also holds or controls 24,019 shares of Philippine Long Distance Telephone Co., out of a total issued capital of 70,571 shares. Properties of this latter company were in the hands of the Japanese from 1942-45 and it was estimated that only about 10% of its physical property was left intact and usable.

War damage claims have finally been adjusted for a gross amount of about $3.9 millions, some 52% of the amount claimed. Only 75% of this amount is recoverable under the War Damage Act, the other 25% being a direct claim against the Japanese Government. Recently, a payment of $1,176,000, 30% of the award, was made but auditors state remaining amount which may eventually be recovered cannot be definitely ascertained as yet.

President F. S. Spring states in the annual report that until more money is appropriated by Congress to the U. S. Philippine War Damage Commission there will not be enough money to pay more than about half the claim.

Funds received on the claim have to be used primarily in the rehabilitation, improvement or extension of the company's properties. Most of the recent 30% payment will be used to pay for equipment and supplies previously obtained on credit. Rehabilitation is proceeding "satisfactorily" and there are now about 50% (15,000) of the number of prewar stations in service.

No decision has as yet been given by the Board of Transport Commissioners on B. C. Telephone's application for a rate increase.

Net profit in 1949 amounted to $692,778, against $701,329 in 1948. This was equal to $5.54 on the preferred stock ($5.61), 77c (80c) on the class A shares and 17c (20c), after participation, on the deferred shares.

Barcelona Trac.

Barcelona Traction, Light & Power Co., through its subsidiaries, manufactures, distributes and sells hydro-electric power and bituminous coal, for commercial and domestic purposes, in northern and eastern Spain. It has two producing subsidiaries and a group of distributing and selling subsidiaries which operate throughout the province of Cataluna. Chief producing subsidiary is a Canadian company, Ebro Irrigation & Power Co.

Early in 1948, a judge in the small Spanish town of Reus granted an order declaring the company in bankruptcy. He directed seizure of assets of Barcelona Traction, Barcelonesa de Electricidad and Ebro Irrigation and, subsequently, of other subsidiaries. The company was not formally served until Aug. 28, 1948 and the first intimation it had was when the management of Ebro and subsidiary companies was summarily expelled.

Main figure behind the bankruptcy is reputed to be Juan March, Spanish financier. Bankruptcy proceedings were based on the charge that the company could not pay arrears of interest in sterling on its bonds. The company claims that not since 1936 has it been allowed to convert pesetas into sterling by the Spanish government; it therefore could not pay interest even though, when proceedings were instituted, Ebro held over 160 million pesetas in its bank in Spain, more than enough to pay the arrears.

March, in 1945-46, was busy accumulating the 6½% prior lien bonds of Barcelona and by September 1947 held some £1.9 million, 70.8% of the total issue outstanding.

In April 1948 a bondholders' committee was appointed to represent the 6½% prior lien bonds (one member is Juan March, Jr.).

Events moved rapidly ahead in 1949. A meeting of creditors was called for Sept. 19, to appoint "sindicos" — trustees in bankruptcy. This evoked diplomatic protests from the Canadian, U. S. and Belgian governments. The Canadian receiver, J. G. Glassco, declared that the proceeding was unlawful and stated that "developments in this Spanish bankruptcy case proceedings violate our basic concepts of legality. The refusal of the Spanish courts to hear our case is a complete denial of justice."

Despite these protests, the meeting was held. It was a stormy session, with National Trust Co., Toronto, representing Canadian, American, Belgian, British and French stockholders entering a vigorous protest and abstaining from voting. Three "sindicos" were appointed. Under Spanish law, these referees, operating in conjunction with the creditors they represent, can sell the corporation, dividing the profits, or continue to operate, dividing the returns. So far the property has not been sold nor is there any indication of it being sold at present, The Post is told. The property is under the supervision of the sindicos.

A minority group on prior lien bondholders brought a motion in London, England to restrain the London Committee of prior lien bondholders from representing all the bondholders but this was dismissed in Vacation Court.

Another development, in September, was the motion brought in Canadian courts by Westminster Bank of London, England for leave to institute proceedings in connection with the bonds of Barcelona Traction. The bank is trustee under the trust deed securing the peseta bonds. As trustee, it holds first mortgage bonds of £2,640,000 as security for their payment. These are now held in the form of interim bond certificates, which the bank wishes to exchange for definitive bonds. The present motion asks permission to institute an action for an order to bring about this exchange.

No annual report has been issued since 1946. At Dec. 31, 1946 funded debt of Barcelona comprised $13,066,513 of 6½% consolidated prior lien bonds, with $7,384,750 in interest arrears from Jan. 1, 1936; $7,601,344 of 5½% first mortgage bonds with interest arrears of $2,042,188 from June 1, 1936; $11,953,364 of 6% 45-year bonds. Bond issues in hand to the public and other funded debt of the controlled companies in Spain amounted to $24,073,070 at Dec. 31, 1946.

Brazilian TL&P

Brazilian Traction, Light & Power Co., a holding company, is engaged in the street railway, electric light and power, gas and telephone business in southeastern Brazil. Area served covers 342,000 sq. miles with a population of about 20 millions. It is estimated that about 75% of Brazilian industrial production originates in the area where the company's operations are centred.

Through its operating companies, Brazilian produces and distributes approximately 65% of the total power produced in Brazil and supplies over 80% of the telephones in service.

The market for its services appears to be ever expanding and the limiting factors are its ability to finance extensions and obtain delivery of necessary equipment.

A huge $182 million program of electrical and telephone expansion, started in 1947, is expected to be completed by 1952. It includes adding 317,000 kw. to the hydro-electric generating stations (of which 217,000 kw. was in service at the end of 1949); construction of a large water diversion project to permit installation of about another 500,000 kw.; construction of a 200-mile, 230-kw. transmission line and installation of a 50,000 kw. frequency changer station to permit interchange of power between the 60-cycle Sao Paulo system and the 50-cycle Rio de Janeiro system; installation of automatic telephone equipment involving a total of 160,000 more telephones.

Supplies and equipment unobtainable in Brazil for this big program are bought with a $75 million loan from the International Bank for Reconstruction and Development, granted in early 1949. To the end of 1949 the company had taken down $24,923,159 of this loan. Total capital expenditures during the year amounted to about $40 millions, against $32,436,579 in 1948.

Preliminary figures for 1949 indicate a record year. Net profit is estimated at $31,657,713, up 16.9% from 1948's $27,086,242, and is equal to about $4.50 a share against $3.85. Gross earnings, according to the preliminary report, were higher at $123,884,473 ($101,945,202) and operating expenses rose to $92,226,760 ($74,858,960).

In January, 1950, it was stated that the increase in kilowatt hours of electric power sold was running over 15% above the previous 12 months and that the company is many tens of thousands of orders behind in the installation of telephones.

Installed capacity at the end of 1948 was 822,000 kw. Total number of gas customers was 205,000 and they consumed, in 1948, 193 million cubic metres of gas. There was a total of 380,260 telephones in service.

Mexican L & P

Mexican Light & Power Co. controls and operates the lighting and power system in the city of Mexico and the Federal District of Mexico. It and its wholly owned subsidiaries form an integrated public utility system serving an area of about 12,000 sq. miles with an estimated population of 2,200,000 persons and comprising the most densely populated and industrialized part of Mexico.

Within the area served, the Mexlight group distributes almost all the power consumed and generates all such power except that generated at the Ixtapantongo plant (capacity 55,800 kw) of the Federal Power Commission of Mexico, substantially all of the output of which is purchased and distributed by the company.

The Mexlight group owns and operates 17 plants under Federal concession, having a present total installed capacity of 334,550 kw.

A $50 millions expansion program now continuing calls for development by 1953 of 155,000 kw additional generating capacity.

This program includes the following major items:

(1) An additional unit of 16,000 kw scheduled to come into operation by the end of 1949, to supplement the nine existing units at the hydro-electric power plant of Necaxa.

(2) An additional 28,000 kw unit, scheduled to come into operation by the end of 1949, to supplement the two existing units at the hydro-electric plant of Lerma.

(3) A new 45,000 kw. hydro-electric plant at Patla, to be built down stream from the present Necaxa and Tepexic plants, and which will utilize the waters discharged from the latter plant and therefore use the water-collecting and storage facilities of the Necaxa hydro-electric system.

(4) A new 66,000 kw steam plant to be built at Lecheria, near Mexico City, in the centre of an important and rapidly developing industrial area.

(5) A new 220 kv transmission line between Necaxa and a point near Mexico City, which will be needed because of the overloading of the present lines and the installation of the tenth unit at the Necaxa plant and the erection of the Patla plant.

The construction program also involves the increase of the capacity of the transmission and distribution systems and substations of the Mexlight group and other essential miscellaneous works.

The company's program was developed following a joint study by the Federal Power Commission of Mexico and the company. This study showed that the capital needed was obviously beyond the capacity of the Mexican financial market. As a result the company and the Power Commision each applied to the International Bank for Reconstruction & Development for loans to meet the foreign currency needs of their respective programs.

The World Bank informed the company that it was ready to consider a loan if the company would reorganize its capital structure on the basis of certain lines laid down by the World Bank and if the company could show a financial position such as to support the loan and carry through the program.

The company accepted the basic requirements and requested the First Boston Corp. to formulate the plan of reorganization. This plan for capital reorganization of the company and its subsidiaries. Mexican Electric Light Co. and Pachuca Light and Power Co., was approved by an overwhelming vote of all classes of security holders at meetings in Toronto in February, 1950.

The cost of the construction program is presently estimated at approximately $26 millions U. S. and 136 million pesos or an aggregate, at the existing rate of exchange, of about $42 millions U. S. This does not include the additional dollar and pesos expenditures for construction work ancillary to the program and for normal renewals, replacements and extensions for the existing installations. For the years 1950-52 inclusive this additional work is estimated at an average annual cost of about $2,750,000 U. S.

The agreement with the World Bank providing for a loan of $26 millions for construction purposes was signed in Washington last week.

The new securities to be issued under the capital reorganization plan are expected to be available for exchange in definitive form about the middle of June.

Gross operating earnings for 1948 were $20,289,113 (Canadian) up 1.83%. Substantially higher expenses due primarily to higher labor costs and increased fuel costs of thermal generation more than counteracted the higher earnings. The company showed a deficit of $898,115 for the year as against a net profit of $878,938 for 1947.

Consolidated gross revenue for 1949 will be substantially higher than in 1948 due chiefly to upward adjustment in rates in No-

(Continued on page 36)

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Expansion, Changeover Mark Ont. Hydro

System Schedules $160 Million Capital Program in 1950

Nearly 16.1 billion kwh of electrical energy were consumed in Ontario in 1949—a new high. The greatest part of this power was supplied through the Hydro Electric Power Commission of Ontario.

Demands for power on the Commission's system, together with the depleted water storages both for the Commission and certain of its Quebec suppliers resulted in a campaign for conservation of power again in 1949 together with a certain amount of power rationing last fall and winter.

To meet present and anticipated future demands for power, Ontario Hydro is in the middle of a record postwar capital development program which is estimated to cost more than $579 millions of which $308 millions was spent to Nov. 30, 1949. Capital construction expenditures in 1950 are estimated to be about $160 millions and are subject to approval by the Commission to take into account the two extra months in its 1950 fiscal year (November-December 1950).

On top of this major construction program, the Commission started in 1949 on the $200 millions job of changing the largest part of its system (the Southern Ontario Division) over from 25-cycle to 60-cycle power.

Another major program was pushed by the Commission is the extension of its rural service. In 1950 the Commission estimates that it will add 3,100 miles of new rural lines to serve some 31,667 new consumers.

Further development by Ontario Hydro on the Niagara River is also imminent. A U. S.-Canada Niagara water treaty was initialled in Washington Feb. 27, and awaits ratification by Parliament and Congress. Ontario's spending on the project in the next five years may run between $200 millions and $300 millions to develop eventually more than 900,000 additional (60-cycle) hp. Main stages will come into production 1953 and 1955, HEPC Chairman R. H. Saunders has stated.

Development of power on the St. Lawrence River either as a separate power project or as part of the Seaway project is looked to by the Commission as "the only satisfactory answer to Ontario's power problem." Currently it would appear as though the Seaway project may be delayed for some time.

Gt. Lakes Power

Great Lakes Power Co. supplies hydro-electric power to large industrial users, to Sault Ste. Marie and 20 neighboring communities and to the mining developments in the surrounding Algoma district.

The company has undergone major changes in the last few months.

Up to December, 1949, control had rested with Middle West Corp., a Chicago holding company. Through its Canadian subsidiary, Middle West Utilities Co. of Canada, it held all the outstanding common stock of the company.

In December a Canadian group, including President J. A. McPhail and associates in Sault Ste. Marie, Wood, Gundy & Co., McLeod, Young, Weir & Co. and Cochran, Murray & Co., acquired control and subsequently a new company (Great Lakes Power Corp.) was incorporated. Purpose of the new company was to acquire substantially all the fixed assets and water power rights of Great Lakes Power Co. for $13,161,953 and all the outstanding common stock of Great Lakes Power Co. for $7,750,000.

Financing was done through the issue, by Great Lakes Power Corp., of $8 million 3½% first mortgage bonds, $4.5 million 4½% general mortgage bonds, $1 million 5% preferred shares, 300,000 common shares and a promissory note.

Great Lakes Power Co. will continue to operate the public utility. It will lease the assets from the new company for an annual rental of $920,000 and a term of 21 years (subject to termination by the corporation on 30 days notice).

On completion of the present construction program, the new company will own four hydro-electric plants with a total developed capacity of 108,000 hp. This includes a new 13,000 hp unit at the High Falls plant on the Michipicoten River, expected to be in operation by the end of 1950. Perpetual water rights are held for use of 20,000 cu. ft. of water per second continuous flow on the Canadian side of the St. Mary's River and also long term water rights on the Michipicoten River and on the Montreal River.

Contracts are held for sale of power to Sault Ste. Marie, Algoma Steel Corp., Algoma Ore Properties Ltd. and Abitibi Power & Paper Co. Sales are also made to Chromium Mining & Smelting Corp.

Earnings figures of Great Lakes Power Co. for the full year 1949 are not available, but for the nine months ended Sept. 30, 1949, a net profit of $413,911 was shown, against a net of $448,117 for the full year 1948. Electric sales in 1948 exceeded 392 million kilowatt hours and were at a higher level in 1949, it is stated.

Ottawa LH&P

Ottawa Light Heat & Power Co. formerly provided electric power and gas in Ottawa and Hull. In October, 1949, long negotiations finally culminated in shareholders' approval of sale of the company's electric facilities in Ontario to Ottawa Hydro-Electric Commission for $7.6 million. Company retains its power lines in Hull and gas business in Ottawa.

Application for a winding-up order would provide the quickest way of distributing the realized assets, President F. E. Bronson told a meeting of shareholders on March 10, 1950, and a bylaw approving the wind-up was therefore passed. First duty of the liquidator would be to make an interim payment of $20 a share, he stated. He could not estimate how much cash would be left in the liquidators' hands after liquidation expenses were paid.

Preferred shares and bonds have all been redeemed.

The remaining assets have been transferred to a new company, Interprovincial Utilities Ltd., for wnich a federal charter has been obtained. Capitalization will be 140,000 shares, to be distributed on a share-for-share basis to stockholders of Ottawa Light Heat & Power. Assets will consist of those of the Hull Power distribution system, valued at $250,000, the Ottawa Gas Co. (value of which was not estimated) and $300,000 in cash, all to be transferred from the old company.

In February the president stated that the new company will operate these businesses while efforts are made to dispose of them at a fair price.

Ottawa Valley

Ottawa Valley Power Co. owns, or holds under lease from the Quebec Government (extending for 75 years from March 1, 1926), all water power rights in Quebec at Chats Falls on the Ottawa River. The water power rights in Ontario at the site are held, through lease from the province of Ontario, by the Ontario Hydro-Electric Power Commission. The two jointly developed the site.

Ottawa Valley power development comprises a powerhouse containing eight units of 28,000 hp each, four on each side of the interprovincial boundary, with dams extending to each bank of the Ottawa River. The portion of the powerhouse and dam on the Quebec side is owned by the company, that on the Ontario side by the Commission.

The company contracts to deliver all its available power to the Ontario Hydro-Electric Power Commission under a contract originally executed on Feb. 15, 1930 and amended and confirmed by the Ontario Legislature in 1937. It is for a period of 40 years from Oct. 1, 1931, and provides for payment for 96,000 hp by the Commission at $12.50 per hp subject to adjustment for under-delivery dependent upon the stream flow of the river and subject to the company's right from time to time to withdraw power for use in the province of Quebec.

Ottawa Valley Power Co. is a subsidiary of Calgary Power Investments. Its annual report is not published.

Ontario HEPC

Three features of operations of the Hydro-Electric Power Commission in 1949 were the record-breaking sales of power and energy, increasing power resources as a result of intense activity and further progress on its power development program and the development of its frequency standardization division for changing the largest part of its operation from 25-cycle to 60-cycle power.

Capital expenditures in 1949 were about $142 millions, substantially higher than the 1948 figure of over $90 millions. This is all part of Hydro's postwar capital investment program now estimated to cost over $579 millions between 1945 and 1952, of which $308.8 millions was spent to Nov. 30, 1949. It shows as follows:

	$
Power generation	295,134,000
In service	41,622,000
Under construction	253,512,000
High-voltage transmission line	84,178,000
In service	28,470,000
Under construction	55,438,000
For high-voltage transformers, switching and frequency changer station facilities & service building	86,692,000
In service	30,717,000
Under construction	55,975,000
For rural construction	56,075,000
Expended to Oct. 31/49	33,925,000
Under construction	22,146,000
Total	522,079,000
Other approved projects relating to certain rehabilitation of plants, modernizing of equipment, improvements to transmission and distribution equipment and further new installations	57,618,000
Grand total	579,697,000

No major hydraulic installations were scheduled for completion in 1949. Principle developments under construction follow:

SOUTHERN ONTARIO

Des Joachims generating station on the Ottawa River (about 40 miles upstream from Pembroke) expected to start initial three units in July, 1950, and all remaining units by early 1951. Capacity of the eight units will be 358,000 kw (480,000 hp) of 60-cycle power. Estimated cost is $75,775,000. This is the largest project being undertaken. The main dam was finally closed on Sept. 15, 1949. Some 2,600 men are at work here.

The Chenaux generating station on the Ottawa River (about 60 miles downstream from Des Joachims and 10 miles directly north of Renfrew) is expected to have three units in service in January 1951 and the remaining units by November, 1951. Capacity will be 120,000 kw (160,000 hp) of 60-cycle power. Estimated cost is $29,800,000. H. G. Acres & Co., engineers and consultants, designed development; construction contract was awarded to Pentagon Construction Co. At the end of 1949 the Portage du Fort dam was completed and the Limerick Island dam with its control sluices was completed except for the closure pours in the divisional channels provided to bypass the river during construction. Over 1,300 men employed at the year end.

The first unit at the La Cave generating station on the Ottawa River (about five miles upstream from Mattawa) is expected to be in service in January, 1952, and five additional units are expected at intervals of two months. Initial capacity of the six units will be 144,000 kw (193,000 hp) and ultimate capacity of the eight units 192,000 kw (257,000 hp). Estimated cost is $50 millions. Actual construction started early in 1949, requires relocation of most of the CPR line from Mattawa to Timiskaming. Railroad grading and other necessary work is under way under contract. At the main dam, the division channel was completed and concrete pouring was in progress for the channel sluices and for part of the dam on the right part of the river. About 1,400 men employed at year end.

Construction began in spring of 1949 on Windsor steam generating station, initial capacity of 120,000 kw (160,000 hp) in two 60-cycle units. Estimated cost is $20,650,000. First unit is expected to start in September, 1951, and the second unit in October. Ultimate capacity will be 240,000 kw (320,000 hp). Site is on the Detroit River at southerly limits of city. H. G. Acres & Co. retained as consultant.

Preliminary work on Toronto steam generating station, on eastern area of Toronto harbor, started last September. Initial capacity will be 200,000 kw (268,000 hp) in two units. Estimated cost is $40 millions. First unit will supply electrical energy at 25-cycle but is designed for conversion to 60-cycle later; expected to be in service in November, 1951, and the second unit, to supply 60-cycle power, is expected in service in February 1952.

Four emergency steam stations were placed in service during 1949, namely Scarborough (60-cycle, 20,000 kw or 26,800 hp); Hamilton (60-cycle, 10,000 kw or 13,400 hp capacity); Stelco (25-cycle, 6,000 kw or 8,000 hp capacity); and Ontario Paper Co., Thorold (60-cycle, 15,000 kw or 20,000 hp capacity). Another at Canada & Dominion Sugar Co., Chatham (25-cycle, 10,000 kw or 13,400 hp capacity) started in March 1950.

THUNDER BAY

Pine Portage generating station on the Nipigon River (about 24 miles north of Nipigon) expected to have first unit in service in July, 1950, and second in September, 1950. Initial capacity will be two units 60,000 kw (80,000 hp) of 60-cycle power and ultimate capacity four units, 120,000 kw (160,000 hp). Estimated cost is $26,400,000. At the end of the year more than 70% of the concrete on the main dam and 60% of the powerhouse was placed. About 1,500 men employed. This is only remaining site available for development on Nipigon River.

NORTHERN ONT. PROPERTIES

Tunnel generating station on the Mississagi River (18 miles northeast of Thessalon) is expected to have its two units in service in June, 1950. Capacity is 42,000 kw (56,000 hp) of 60-cycle power. Estimated cost is $17 millions. By year end contractors, Raynor Construction Ltd., had placed more than 80% of the concrete in main dam and about one-half in the powerhouse; sluice gates and closure gate completed. About 850 men are employed.

Rocky Island storage dam on the Mississagi River (about 50 miles upstream from Tunnel) completed in 1949, is equipped to store the spring run-off this year. Estimated cost was $4.1 millions.

TRANSFORMER & TRANSMISSION

Work progressed on the new 60-cycle transmission facilities and transformer stations to incorporate the La Cave and Des Joachims development and deliver power to Kepling, Burlington and Westminster transformer stations in 1949.

Incorporation of Chenaux generating station output into the system will use the existing Barrett Chute to Brooklin circuit with extensions at each end to Chenaux and Scarborough. This work is in hand.

To supply the west end of the Ontario division and to provide an outlet for Madawaska River power, work is in hand on a line from Barrett Chute to Frontenac.

A transmission line is under construction from Pine Portage generating station to Fort William and additional transmission facilities are being provided between Alexander generating station at Port Arthur.

Good progress was made on the Sudbury frequency charger which was placed in service in December, 1949, and on the transformer station. New transmission line from Tunnel development to Sudbury is nearing completion.

FREQUENCY STANDARDIZATION

A frequency standardization department was organized and the conversion job started in 1949. Canadian Comstock Co. awarded contract for the initial inventory and actual conversion of consumers' equipment in specified areas, under supervision of Commissions engineers. Actual work started Jan. 18, 1949 and conversion of first consumers was in East York on May 18. Work is being undertaken in townships of East York and Scarborough, cities of Sarnia and London and certain sections in the Hamilton district.

LOAD CONDITIONS

Demands for power continued to rise, again exceeding all previous records in 1949. Total energy generated and purchased amounted to 14,032,949,990 kwh, in the year ending Oct. 31, 1949, an increase of 478.9 million kwh or 3.5% from the previous year.

The Commission's 58 hydro-electric generating stations together with minor diesel installations produced 9,450 million kwh while 4,517 million kwh were purchased under regular agreements and 66 million kwh under temporary or short term agreements.

In Southern Ontario on most working days in the year demand exceeded resources during daytime hours and industrial load cutting was necessary. During the summer this cutting was largely confined to at-will loads but due to seasonal rise in primary demands in September and low water reserves, industrial load cutting became progressively greater. Heavy rains in December made it possible to progressively relax restrictions.

Water conditions in the Thunder Bay system were on the whole above normal. This, in combination with the new 20,000 kw capacity of Aguasabon generating station created a substantial increase in the energy resources of the system. On April 1, 1949, properties of Kaministiquia Power Co. were acquired

(Continued on page 36)

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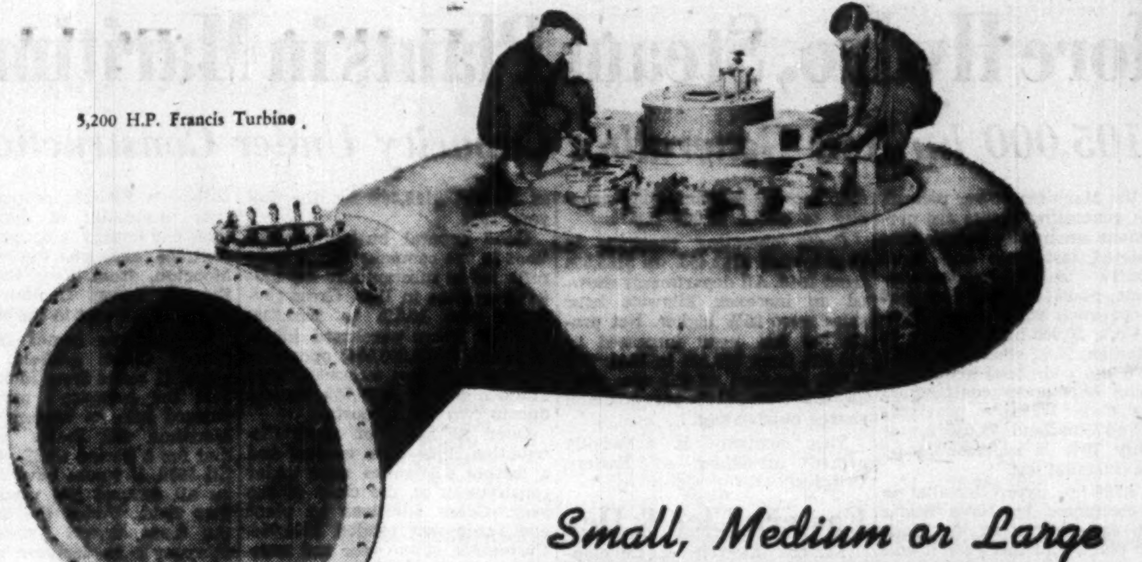

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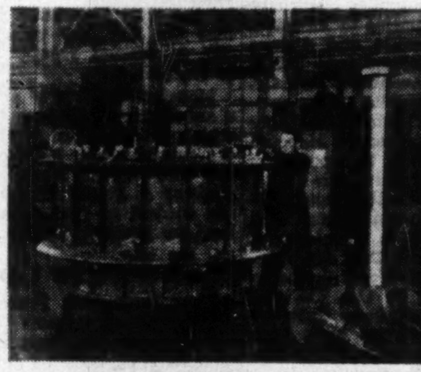

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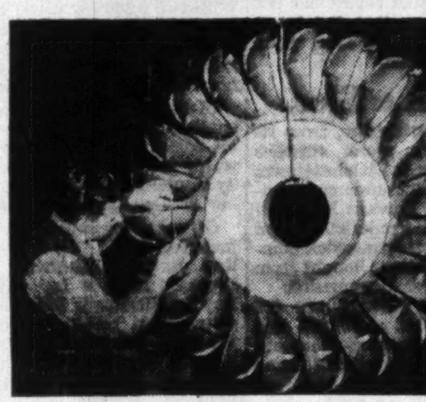

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More Hydro, Steam Plants in Maritimes

105,000 hp New Generating Capacity Under Construction

In the Maritime power picture, steam generating plants are predominant among the installations completed last year and those currently under construction. Largest plant recently brought into operation was Canada Electric Co.'s 20,000-hp. addition to its Maccan, N.S., steam plant. Of 105,000 hp. additional generating capacity now under construction in the three Maritime provinces and Newfoundland, 71,650 hp. or roughly 70% is represented by steam installations.

A 4,500-hp. hydro installation was completed by Nova Scotia Light and Power at its Black River plant, and this year it will be bringing into operation a 5,000-hp. development on Paradise Brook. Other hydro projects now under way include 12,000 hp. for N. S. Power Commission on the Mersey River, 13,000 hp. for Newfoundland Light and Power on the Mobile River and a new 3,350-hp. unit for its Tors Cove plant.

Steam generating installations are under construction in both Nova Scotia and Prince Edward Island. Nova Scotia Power Commission is adding 10,000 hp. at Trenton; Nova Scotia Light & Power, 26,600 hp. at Halifax; Seaboard Power Corp., 25,000 hp. at Sydney; and Maritime Electric Co., 10,000 hp. at Charlottetown.

Canada Electric

Canada Electric Co. supplies electric light and power to an industrial area in northwestern Nova Scotia and to a section of southeastern New Brunswick. Power is also supplied wholesale to Springhill and Oxford and to Eastern Electric & Development Co. at the New Brunswick border for distribution in Sackville and adjacent area. Area served contains about 42,000 people and reaches, directly or through distributors, more than 9,000 retail customers. Company supplies electric energy to the mines of Dominion Coal Co. at Springhill and to the other mining companies in the Cumberland field.

Its generating plant utilizes pulverized fuel under high-pressure boilers. Located at Maccam, Nova Scotia, the plant gets its fuel by a short rail haul from nearby collieries.

In December, 1949, the switch was thrown on a new 20,000-h.p. plant at Maccam. This marked completion of the company's expansion program started in 1946 and boosted its generating capacity to about 40,000 h.p.

Gross operating revenues in 1949 totaled $792,450, up $152,894 from 1948. All departments showed an increase; kilowatt hour sales were 25% higher. Net profit for the year increased to $94,930, from $76,271 in 1948. The usual dividend of 5% was paid on the 9,000 $100 par common shares outstanding.

This company is a wholly owned subsidiary of Eastern Utilities.

Eastern Elec & Dev

Eastern Electric & Development Co. operates electric transmission and distribution system serving over 900 connections in a population of some 4,000 in the Sackville area, New Brunswick.

Since 1927 energy has been purchased at the Nova Scotia border from Canada Electric Co., an affiliate, and transmitted to Sackville and other communities for distribution. It also resells to New Brunswick Power Commission at a point north of Sackville. Power is then transmitted 38 miles over the Power Commission's own lines for distribution at Cape Tormentine and several intervening commmunities. Sale of electric energy has increased considerably in recent years.

This company is a wholly owned subsidiary of Eastern Utilities.

Eastern L & P

Eastern Light & Power Co. supplies electric light and power to Sydney, N.S., and surrounding territory. A wholly owned subsidiary, Dominion Utilities Ltd., serves electricity to the territory adjoining that served by the parent company and owns and operates the water system in New Waterford.

Territory served, therefore, includes all the eastern part of Cape Breton with the exception of the distribution system in Glace Bay. Power for both companies is bought under contract from Seaboard Power Co.

In 1949, the company floated a new $500,000 issue of 4% first mortgage sinking fund bonds. Part of the proceeds, $177,000 will go to additions to plant and equipment, with the balance for working capital.

Earnings figures for 1949 are not yet available but for the first six months of the year a net profit of $59,498 was shown, as against $115,549 for the full year 1948.

Good general business conditions in the company's area were reflected in substantially expanded operations in 1948. Gross revenues rose 10.5% to $821,239; kilowatt hours purchased jumped 11.3% to 32,295,076; operating and maintenance expenses were 11.8% higher at $566,409, largely due to two wage boosts.

Over 32 miles of rural distribution lines were erected and a further 6.55 miles were under construction at the close of the year. Gross additions to plant and equipment totaled $208,014. Customers, at the year end numbered 14,124, up 4.7%.

Eastern Utilities

Eastern Utilities Ltd., a holding company, supplies electricity through subsidiaries to Moncton, Amherst, Sackville and district in the Cumberland coal basin; also power to Dominion Coal Co. and to other public utility systems for retail distribution. Natural gas is supplied to Moncton and Hillsboro and transportation to the Cumberland fields.

It has three wholly owned subsidiaries — Canada Electric Co., Eastern Electric & Development Co., and Joggins Coal Co. Controlled companies are — Moncton Electricity & Gas Co. and Maritime Coal, Railway & Power Co. The subsidiaries have been actively engaged in plans for expansion since the war.

The 1949 annual report has not yet appeared, so that the latest profit figures are for 1948, when $99,107 was shown.

Maritime Elec.

Maritime Electric Co., from its 3,000-kw steam plant, supplies light and power to Charlottetown, Montague and 25 other communities in Prince Edward Island. It also supplies Fredericton and eight other New Brunswick communities with power bought from the N. B. Power Commission.

Latest profit figures are for 1948, when a net of $91,653 was shown. Gross earnings from operations amounted to $967,383 and operating expenses stood at $657,798.

Moncton El. & Gas

Moncton Electricity & Gas Co. supplies electric service in Moncton and suburbs and provides natural gas for Moncton and Hillsboro. Electric property consists essentially of distribution lines and energy is bought, under contract through the City of Moncton, from New Brunswick Electric Power Commission, at approximate cost to the city.

Natural gas comes from the Stoney Creek gasfield, located about 11 miles from Moncton. In 1911 the company's predecessor entered into an agreement with Maritime Oil Fields providing that for a period of 39 years, i.e. till 1950, it would have first call on all natural gas produced in that field. Under the terms of the lease drawn between the company's predecessor and the City of Moncton, starting in 1911 and expiring in 1950, the company took over the electric and manufacturing gas plants in the distribution system then owned by the city. This lease provides that the company pays to the city an annual royalty for use of the property.

Moncton Electricity & Gas is a subsidiary of Eastern Utilities, which owns all but 37 shares of the capital stock. Moncton Electric also controls Maritime Coal, Railway & Power Co., with voting control of that organization held by Eastern Utilities.

N. B. Power Comm.

New Brunswick Power Commission placed its new Chatham Steam Generating Unit in operation in 1949, boosting total generating capacity by 16,750 hp. With two 6,250 kw turbo generating units scheduled for shipment in the late fall of this year, indicated load growth for the next two years is provided for.

Plans for the future are being studied. Due to the greater cost of all fuels, more extended use of water power is desirable and hydraulic investigation of a number of sites has been undertaken.

Other construction jobs in 1949 included 69,000 volt transmission line from Musquash to St. Stephen, with a tap from Oak Bay to McAdam; 905.3 miles of distribution lines; rebuilding of the East and West Branch pipelines at the Musquash plant; and construction of transformer stations at various locations. The Saint John-Moncton line, now of insufficient capacity, is being rebuilt as load conditions allow. Additional generating capacity at the St. Quentin diesel generating plant is planned and on completion of transmission lines a transfer will be made of a unit now operating.

Total revenue for the year ended Oct. 31, 1949, was $4,073,979, against $3,544,717 in 1947-48. Expenditures increased to $4,634,901 from $3,544,717. Energy generated and purchased was up 25,599,755 kwh at 234,626,000 kwh.

Customers served directly by the Commission totaled 44,822, compared with 38,908 the previous year.

N. S. Power Comm.

Nova Scotia Power Commission made good progress on its 12,000 hp Deep Brook generating station last year but did not expect to have it in commercial operation by April, 1950.

Two other power development schemes are under consideration. One stems from detailed investigation of the Bear River which revealed that a satisfactory scheme is possible there to give reasonably priced power to Digby County, Yarmouth County and the inland parts of Queen's and Annapolis Counties. The other is for construction of a power development on the Grand River in Richmond County and increasing

(Continued on page 36)

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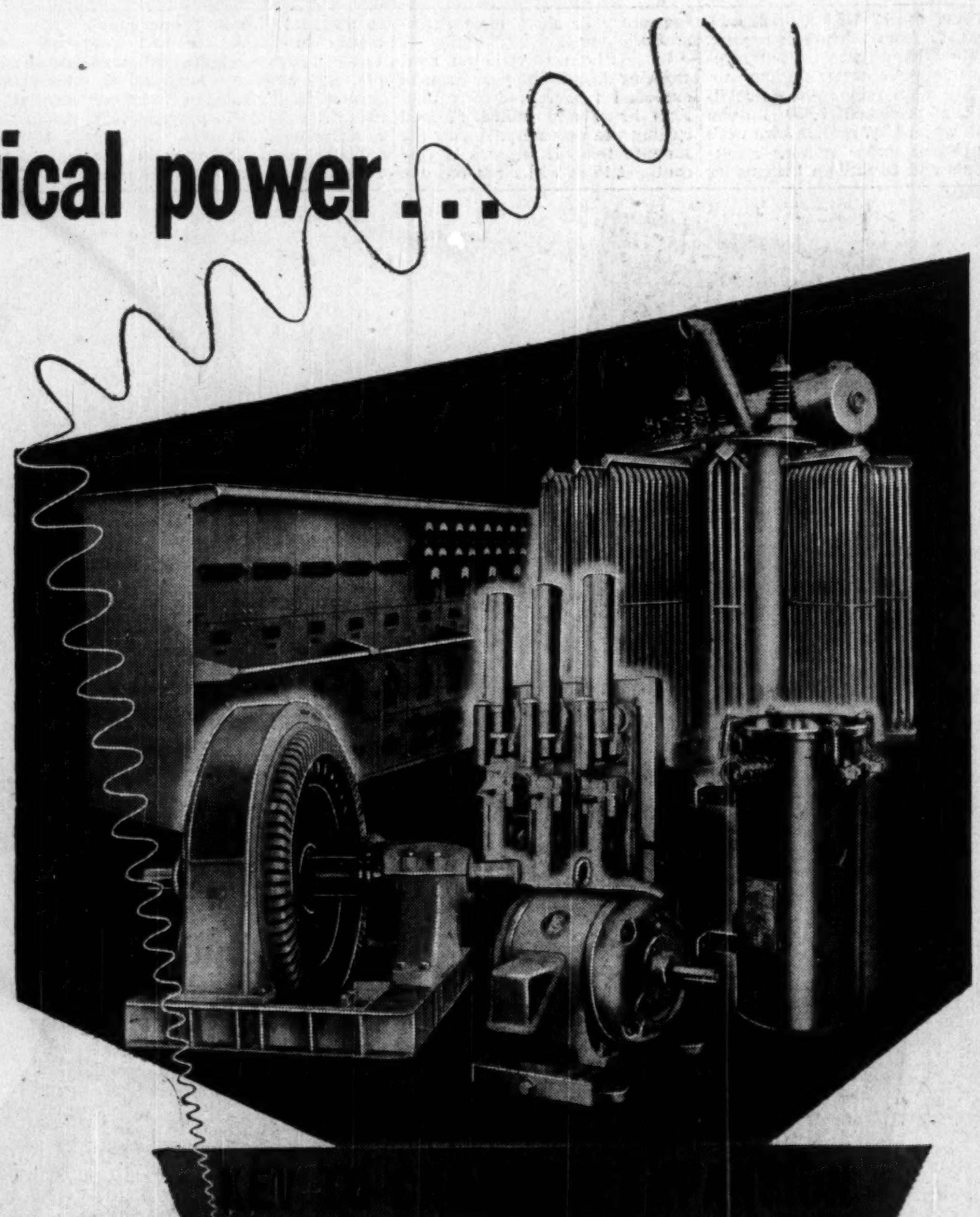

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LA PROVINCE DE Québec
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Problems of Exchange and Liquidation Hit Domestic and Foreign Holding Co.'s

(Continued from page 26)

tive interest on income stock of a nonconsolidated Mexican subsidiary. Further income from this subsidiary is not expected for some time, due to serious decline in the Mexican exchange.

In the annual report, issued in June 1949, it was stated that substantial additions to generating and distribution facilities, made necessary by steady increases in power generated and sold and anticipated further increases, will absorb most of the subsidiaries' earnings over the next two years. Construction expenditures on properties of consolidated subsidiaries amounted to $2,816,696 in 1948, and those of the Mexican company to $611,965.

Capitalization at Dec. 31, 1948 consisted of $1.4 million 6% serial debentures (since redeemed); $2 million 5% first preferred cumulative redeemable $25 par; $2 million 6% cumulative convertible $100 par second preferred; and 115,610 shares of npv common stock.

Arrears of dividends on the second preferred stock, in Jan., 1950, totaled $131.25 a share.

Int: Hydro-Electric

International Hydro-Electric System, a Massachusetts voluntary association, acts as a holding company for power producing and distributing companies. Chief subsidiaries are Gatineau Power Co. and Eastern New York Power Corp. An 8% voting interest is held in New England Electric System.

Liquidation and dissolution of the system were ordered by U. S. Securities & Exchange Commission and for this purpose the court, on Oct. 11, 1943, took over exclusive jurisdiction of its affairs. In Nov. 1944, B. A. Brickley was appointed trustee with authority to operate the system's business until further order.

Preliminary steps toward liquidation were taken in 1946 and 1947 with merging of Hudson River Power Corp. and System Properties Inc. into Eastern New York Power Corp., refinancing Gatineau Power Co.'s funded debt and simplification of the capital structure of New England Power Association and its holding companies into New England Electric System.

After submission of several plans for liquidation, to the S.E.C. the trustee's Second Plan, filed in April, 1949, was adopted. It is divided into four parts as follows:

(1) Repayment of $2,656,800 principal amount of 6% debentures outstanding ($100 per debenture), effected July 1, 1949.

(2) Repayment of the remaining $15,940,800 outstanding debentures with the proceeds from sale of Gatineau Power Co. stock, to yield $5 million, and a $10 million two-year loan and treasury funds. Plans are to reduce the principal amount of the loan by applying net income to payments and if more money is needed to meet payments, to sell part of its common stock holdings in New England Electric System, Eastern New York Power Corp., Corinth Electric Light & Power Corp. and Moreau Manufacturing Corp. This part of the plan was approved by the Court in Jan. 1950.

(3) Issuance of trustee certificates in exchange for I.H.E.S. preferred and class A stock in the ratio of one certificate for each class A share and eight certificates for each preferred share held, including all dividend arrears.

(4) Distribution to holders of the trustee certificates of the balance of the assets and cash of I.H.E.S.

In Feb. 1950, Trustee B. A. Brickley announced that he had engaged First Boston Corp. to act as financial adviser in developing a plan for final liquidation and dissolution. Proceedings are still pending before the S.E.C. on parts three and four of the trustee's plan.

A proposal for reorganization rather than liquidation was submitted in 1949 by P. E. Todd, a class A shareholder, and other directors of the company. It was made on the basis that the company is now financially sound and has ample assets and income to service its debts and return reasonable earnings to shareholders. This proposal was denied by the S.E.C. in December on the grounds that it would be inconsistent with standards and policies of the Holding Company Act of 1935. The protective committee for class A stockholders has since filed a petition in the U. S. Circuit Court of Appeals at New York seeking a review of the S.E.C. order denying Todd's application for reorganization.

Holdings of the system at Dec. 31, 1948 comprised: 1,439,024 common and three preferred shares of Gatineau Power Co. (86% voting power); 320,000 common shares Eastern New York Power Corp. (wholly owned); 250 common shares Corinth Electric Light & Power Co. (wholly owned); 842 common shares Moreau Manufacturing Corp. (33 1/3% voting power) and advances of $314,500; and 534,157 common shares of New England Electric System (8% voting power) received under 1947 reorganization for 821,780 common shares of New England Power Association (51% voting interest). The investment in New England Electric System was boosted to 587,572 shares in Dec. 1949.

Earnings of the System stem mainly from interest received from subsidiaries. In 1948 (the latest year available) net profit totaled $1,372,964, against $841,493 in 1947. For the nine months ended Sept. 30, 1949 net profit amounted to $991,359, compared with $980,501 in the same period of 1948.

Jamaica P. S.

Jamaica Public Service Ltd., through its subsidiary, supplies electric light and power service to Kingston, St. Andrew, and surrounding districts in Jamaica. Population served is about 300,000. Transportation service previously operated was discontinued in 1948.

Main operating subsidiary is Jamaica Public Service Co. which owns one steam-electric, three hydro-electric stations and seven diesel generating plants, with a total capacity of 26,535 hp. Since March, 1949, it has operated the services formerly operated by its subsidiary St. James Utilities, now in the process of liquidation. It also wholly owns Jamaica Hydro-Electric Co. which held rights on the White River power site.

Preliminary work is now under way to bring the lower White River site into power production. This development will approximate the size of the new 6,000 hp Roaring River hydro-electric station, placed in commercial operation in October, 1948. Besides providing generating capacity to meet increasing loads, these hydro-electric additions mean an important saving in operating costs, through a smaller amount of fuel oil needed to produce energy in a steam plant. To help finance these and other capital expenditures, Jamaica Public Service Co. sold, in May, 1949, £200,000 of 3½% first mortgage debenture stock.

Except for minor purchases in the dollar area, major cost added by devaluation will be in transfer of dividends in Canadian funds, it is stated. In 1948, the company showed exchange losses of $34,436 on dividends. Devaluation will mean about another $30,000, for a total exchange loss of about $60,000-$65,000 in the transfer of dividends. Both the 7% preferred stock of Jamaica Public Service Co. and the common stock of Jamaica Public Service Ltd. are Canadian dollar issues, while the "B," "C", and "D" preferreds of J. P. S. Co. are sterling shares.

As a result of devaluation, the company has stopped issuing the former consolidated statements and now gives statements of the operating subsidiary in pounds sterling. Although the 1949 annual report is not yet available, figures subject to adjustment at the time of the annual audit show, for the parent company, net income (made up of dividends and interest, less expenses) of $138,529 for 1949. This figure is not available for 1948. Operating revenues of the subsidiary totaled £456,177 (£443,541 in 1948) and net income jumped to £100,584 (£74,672).

Porto Rico Power

Porto Rico Power Co. is controlled by International Power Co. through ownership of 98% of the outstanding common stock. The company is in process of liquidation following sale of shares and securities of the company's wholly owned operating subsidiary, Porto Rico Railway, Light & Power Co., to Puerto Rican Government for approximately $10 millions.

Shareholders on Jan. 25, 1944, approved winding up of the company. The outstanding $130,913 5% refunding mortgage bonds were redeemed on Dec. 10, 1943, at 105 and accrued interest, and the outstanding $834,000 6% 20-year sinking fund debentures at 101¾ and accrued on Feb. 21, 1944.

Court authority was given in 1944 for distribution of $6,006,328 to shareholders and later in the year $5,506,328 was distributed. Of this sum, $100.63 was paid out for each of the 10,000 preferred shares outstanding which represented repayment in full of par value, plus dividends accrued and unpaid at the time of distribution. Common shareholders received $150 for each of the 30,000 shares outstanding.

In 1945, a further $50 per share was paid to preferred shareholders plus $5.18 representing accrued interest. A further payment of $20 per share was paid to preferred and common shareholders Jan. 5, 1948, the most recent payment.

According to some sources, there is some doubt as to whether any further distribution may be made. Some claims in Porto Rico are still to be settled, and liquidation expenses have still to be met. Earlier reports suggested that a distribution of between $5 and $10 per share might still be forthcoming. It is expected that it will be some months before it can be determined whether there will be any payment to shareholders before the company's affairs are finally wound up.

Power Corp.

Power Corp. of Canada functions primarily as a holding, management and engineering company, controlling or closely associated with Canadian companies having total power developments of 908,586 h.p. and undeveloped sites capable of another 934,034 h.p.

Controlled through stock ownership are: East Kootenay Power Co., Canada Northern Power Corp. and Northern British Columbia Power Co. It is associated, by stock ownership, with B. C. Power Corp., Foreign Power Securities Corp., Winnipeg Electric Co. and Southern Canada Power Co.

Construction work on the big extension to Quinze River power plant is well under way. When completed, capacity there will increase by about 34,000 h.p., to 84,000 h.p. This is a project of Northern Quebec Power Co., a subsidiary of Canada Northern Power Co.

All subsidiary and affiliated companies shared in an 8% increase in combined kilowatt hour output shown for the year ended June 30, 1949, and in a rise of 26,796 in number of customers served.

Gross earnings of the parent company totaled $1,926,365, against $1,713,610 in the previous year. Of this total, $1,530,889 represented income from investments ($1,396,011). Net profit rose to $1,314,043 ($1,112,589).

Holdings of investments had a book value of $26,488,967 (market value $26,037,223). Of these, over 63% comprise holdings in subsidiary and affiliated hydro-electric and utility companies.

For the six months ended Dec. 31, 1949, net earnings of $830,485 were shown, compared with $788,014 for the corresponding period a year ago.

Southmount

Southmount Investment Co. will be asked to approve winding up of the company at the annual meeting later this month.

Company was formed prior to expropriation of Montreal Light, Heat & Power assets by the Quebec Government in 1944. Its purpose was to hold certain assets of MLH&P, with an obligation to defray expenses (up to $500,000) deemed necessary to protect MLH&P shareholders' interests.

Shares of the company were issued to Montreal Power as part consideration for transfer of assets, and subsequently distributed to Montreal Power shareholders April 30, 1944 on a share-for-share basis to represent 31c (based on book value of assets transferred) of regular quarterly dividend of 37c.

Although most of the assets transferred to Southmount were converted into short-term bonds, company retained ownership of 510 shares (51% interest) of Keystone Transports Ltd., despite an action instituted by Quebec Hydro to have the Keystone shares returned to MLH&P at the book value ($306,000) shown on the Southmount balance sheet. Action was taken under a 1945 amendment to the 1944 expropriation Bill which annulled transfer of the Keystone shares.

An out-of-court settlement was reached this year when directors accepted a Quebec Hydro offer of $550,000 for the shares. If shareholders approve sale of the shares and winding up of the company, break-up value of the assets will amount to about 57c a share, with about 13c taxable, according to present estimates. Total assets at Dec. 31, 1948 were $2,379,201 including $1,940,996 securities (market value $1,929,415). Current liabilities were $11,461. Net profit in 1948 was $5,626 ($15,156 in 1947).

United Securities

United Securities Ltd., a holding company, controls through subsidiaries the street railway system of Montreal and district. In April, 1950, however, the City of Montreal was given power to take over the subsidiary's (Montreal Tramways) system and set up the "Montreal Transportation Commission." A bill was passed by the Quebec Legislature to this effect which also laid down detailed procedure for determining the amount to be paid for the properties and providing for negotiation between the commission and security holders.

The company's other main investment, Canadian Light & Power Co., before 1949 operated a hydro-electric power development on the St. Lawrence River. During the year it sold its assets to the Quebec Hydro-Electric Commission and is now being wound up. Proceeds of the sale enabled it to repay its 5% bonds due July 1, 1949, and it has already made an interim payment of $20 a share. Equity remaining at Dec. 31, 1949, was calculated at about $5.17 a share, after expenses.

United Securities, through its holdings in Canadian Light & Power, received enough money to redeem $1,654,500 of its 3% series "B" bonds.

Operations in the year ended March 31, 1950, resulted in a deficit of $54,133, against one of $33,609 in the previous year. Total revenue dropped sharply to $25,548 from $71,062.

The company is controlled jointly by Quebec Hydro-Electric Commission and Shawinigan Water & Power Co.

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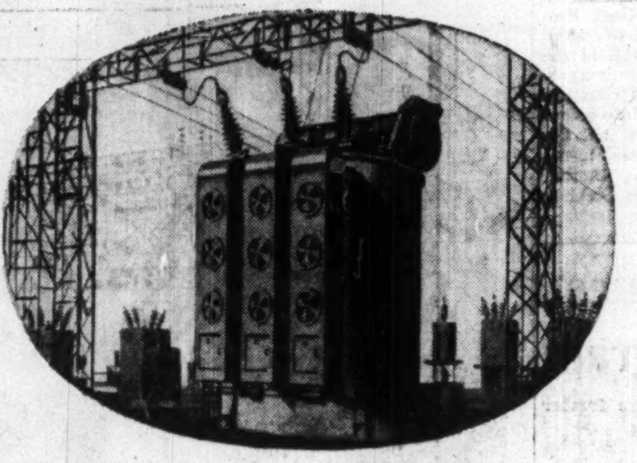
Hydro-Québec has increased the capacity of its substations from 600,000 KVA to 900,000 KVA in the last five years.

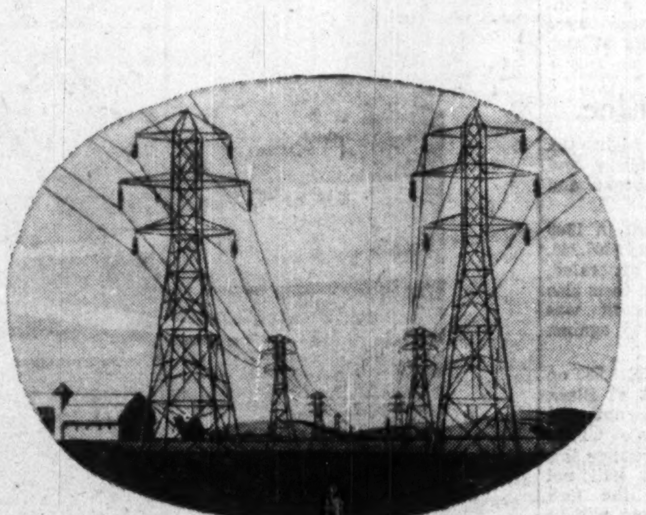
This increase was necessitated by growing demand for electricity not only for domestic and commercial customers but also for shops and large industrial plants.

There must be electricity available when light switches are turned on, electrical appliances are connected, and when the industrial worker starts to operate his machine.

Hydro-Québec is pressing to expand its already vast generating and distributing equipment so that there may always be plenty of electricity for new residents and the new industries which are building factories in the Montreal area.



One of the two transformers installed in our new Rockfield substation. This transformer weighs some 334,000 pounds.



Transformation stations and the large generating stations are connected by high tension transmission lines running through the countryside.

HYDRO QUEBEC
Hydro-Québec

Many Projects Under Way For Maritime Companies

(Continued from page 34)

the capacity of the steam-generating station at Inverness.

Further extension into rural territories was carried out with 420 miles of new lines being energized, reaching a potential 2,400 new customers. Number of new customers added was 2,958, bringing the total at Nov. 30, 1949, to 18,956.

The large hydro-electric generating unit in the Clearland generating station of the Mushamush System was transferred to the Roseway System, where it will provide over four times the annual output possible at Clearland. A major program of overhauling and rehabilitating generating units was started.

Energy generated totaled 248,724,341 kw in the year ended Nov. 30, 1949, down 105,671 kw from the previous year

N. S. Light & Power

Nova Scotia Light & Power Co. serves Halifax with power, tramway transportation and gas; Dartmouth, Bedford and suburbs of Halifax with electricity. Through its subsidiaries it supplies electric service to about half the electricity consumers in Nova Scotia. Total population served is more than 300,000 and number of electric customers approximately 63,000.

Present installed capacity of the Halifax steam plant is 23,280 hp, which supplies more than a third of the combined power requirements of the company and subsidiaries. The balance is almost entirely hydro power, obtained from both the Nova Scotia Power Commission and from generating plants of subsidiaries. Sparked by the sustained demand for power, the company is presently engaged in a big expansion program. Included are a 26,000 hp addition to the Halifax steam plant and a 5,000 hp development on the Paradise River. The Halifax addition is to be completed in 1952, while the Paradise River development of subsidiary Avon River Power Co. is slated for July of this year, boosting the total installed capacity at that development to 34,600 hp.

Replacement of the tramway system in Halifax by modern trolley coaches was completed by the company in May, 1949. This involved the purchase of 65 new trolley buses in 1948, at a cost of $1.4 million.

To pay for this big program, the company in 1949 did a considerable amount of financing. A total of 22,572 4½% $100 par value preferred shares, 83,810 n.p.v. ordinary shares and $1.5 million 3½% first mortgage bonds were sold.

The report of 1949 operations is not yet available. However, for the eight months ended Aug. 31, 1949, consolidated net profit totaled $405,891. The company earned $757,297 for the full year 1948.

Nfld. Light & Pwr.

Newfoundland Light & Power Co. owns and operates the electric lighting and power services of St. John's, Newfoundland, and vicinity, serving a population of about 60,000. The franchise provides that after Aug. 4, 1956 the City of St. John's may purchase the undertaking, plant, property, assets and rights of the company as a going concern, after giving the company three year's notice.

Power is supplied from its hydro-electric stations at Petty Harbour, Pierre's Brook, Tors Cove and Rocky Pond. Total installed turbine capacity is 22,500 hp. The plant at Pierre's Brook was completed in 1931 and power from this development was contracted for by Dominion Steel & Coal Corp. under a contract commencing in 1931.

In February, 1949, subdivision of the authorized and issued 24,000 $100 par common shares into 12,000 5% $100 par preference shares and 120,000 ordinary shares of $10 par value was confirmed. Provision was made at that time for increasing the capital, if required, by creating additional preference and ordinary shares.

Following this, Royal Securities Ltd. made an offering of $1,197,000 of the newly created preference shares at $100 a share and 119,000 of the new ordinary shares at $15 each. These were purchased from Newfoundland Light Ltd., which at that time owned nearly all the shares of the company and was in turn controlled by International Power Co. The offering, therefore, did not constitute new financing.

Dividends of $1 per share on the ordinary stock were inaugurated in 1949 with the payment of 25c a share on June 1, 1949.

The 1949 annual report has not yet appeared. In 1948, gross earnings totaled $1,160,074 ($1,088,212 in 1947) and net profit amounted to $267,467 ($156,689).

United Towns

United Towns Electric Co. supplies electric power to 90 communities on Avalon and Burin Peninsulas, Nfld., and bulk power to Newfoundland Light & Power Co. It owns seven hydro-electric plants with an installed capacity of 12,000 h.p.

Subsidiaries include West Coast Power Co., Public Service Electric Co. and Wabana Light & Power Co. Bonds of the three subsidiaries have been guaranteed as to principal and interest by the parent company.

Latest income figures are for 1948 when a net profit of $8,955 was shown, as against $445 in 1947.

Seaboard Power

Seaboard Power Co., a wholly owned subsidiary of Dominion Steel & Coal Corp., was formed to supply electric power to the works of the parent company and the mines of associated companies.

Its system is interconnected with the power stations at the Sydney Steel Works and those of Dominion Coal Co. and Nova Scotia Steel & Coal Co. Power is also supplied to Eastern Light & Power Co. and Glace Bay. Flow of power is regulated in conformity with the requirements of the several parts of the system.

Company's own power station at Glace Bay is equipped with three generators with an approximate capacity of 28,800 kw.

In May, 1949, the company issued $2.6 millions of first mortgage 4% serial bonds, guaranteed by Dominion Steel & Coal. Proceeds were to be used to install a third steam power unit at the Glace Bay plant, thereby increasing the rated capacity from 15,000 kva to 33,750 kva. More power is required in connection with the electrification of the coal mines of Dominion Coal Co., another subsidiary of Dominion Steel & Coal.

Transit Firms Add to Service

(Continued from page 23)

been called for the next 1½ miles.

Passenger revenue on the city system amounted to $19,525,852 in 1949.

Prov. Transport

Provincial Transport Co. operates bus lines in and about Montreal. Through subsidiaries, local service is maintained in Kingston and Sherbrooke and long-distance lines are operated connecting Montreal, Toronto, Ottawa and other points. It is one of the biggest operators of coach lines in Canada.

Further substantial expansion was shown in 1949. The operating assets of Collacutt and Kawartha Coach Lines of Oshawa were purchased and integrated into the Colonial Coach Lines system in June. These companies' principal routes were between Gananoque and Toronto and between Peterborough and Toronto, but they operated other smaller lines. Early in the year the capital stock of Pony Bus Lines, operating in Pembroke, was purchased, and control was acquired (subject to approval of the Interstate Commerce Commission) of International Coach Lines, a Maine Corporation which established a service in June between Montreal and Saint John, N.B.

Expansion and modernization of the Ottawa Terminal are in progress and expectations are that the new premises will be in full operation by early summer. A total of 481 buses was in operation at the year end, against 428 at the end of 1948, and 62 more have been bought for delivery this year.

Passenger traffic was considerably higher. Number carried by the interurban companies totaled 19,429,015, up 2,025,687; Sherbrooke City Transit Co. carried 6,770,063, up 577,582; and Kingston City Coach Co. total was 5,013,453, an increase of 29,469.

Total operating revenue was $10,404,773 ($8,804,758 in 1948) and net profit amounted to $411,640 ($327,156).

To provide for part of the cost of new equipment a $1 million issue of 3% equipment trust certificates was sold privately in March, 1949.

Ontario Hydro Continues Major Expansion Program

(Continued from page 33)

including the Kakabeka generating station with a maximum capacity of 27,700 kw.

Northern Ontario Properties had to place customers in Northeastern region on a quota basis with a reduction of 10% commencing Nov. 21, 1949. In the period from Jan. 16 to Jan. 27, 1950, these quotas were further reduced.

RURAL SERVICE

In the year there was an unprecedented increase in the number of rural customers served and a record mileage of rural lines and distribution facilities were constructed. There were 4,738 miles of primary line constructed (3,556 in previous year). Some 37,594 new customers were added but 2,388 were transferred to municipal systems, making a net increase of 35,206. There were 255,295 rural consumers at Oct. 31, 1949.

Pembroke Elec.

Pembroke Electric Light Co. generates electrical energy and distributes it in Pembroke and surrounding districts.

New records were hit in 1949 for gross revenue, at $307,245, and for kilowatt hours generated, at 28,425,690. Operating costs also increased but net profit was slightly higher at $46,893, against $43,119 in 1948.

The company spent $218,687 on its new 3,000 hp unit at Black River. Work was discontinued due to the higher costs of winter construction but will resume this spring. This stoppage will not delay completion as the new powerhouse building, etc. will be ready for equipment before delivery is received late in the year or early in 1951.

Other 1949 capital expenditures amounted to $115,370 and included the cost of new dams on Black River watershed for water storage purposes. Installation of two new diesel units was completed early in the year and they have been in operation in peak hour periods.

During the year a contract was signed with the Pontiac West Electricity Cooperative for the supply of power for the villages of Fort Coulonge and Davidson, Quebec, and rural distribution between Waltham and Fort Coulonge.

CITY OF KELOWNA, B.C., has sold three issues of 3½% debentures, due 1950 to 1969 and totaling $266,000, to a syndicate composed of Anderson & Co. and J. L. Graham & Co. Price was $101.08 or a cost basis of 3.38% to the municipality. Proceeds will be used for construction of schools, home for the aged and to extend the waterworks system.

Report of Canadian Firms In Foreign Utilities Field

(Continued from page 32)

vember, 1948, under the adjustment clause of company's tariffs and to sales of power produced at Tacubaya diesel plant, the six units of which came into operation between November, 1948, and April, 1949, the company has stated. Offsetting this, however, will be the material increases in the 1949 operating expenses, important among which are the rise in wages and other employee benefits and in the cost of fuel which occurred in 1948 and were in effect throughout the entire year 1949, and also, of course, the fuel and other operating costs of the new Tacubaya plant.

Tel. Securities

Telephone Securities Ltd. is a holding company, owning 22,519 shares of the outstanding 70,571 shares of Philippine Long Distance Telephone Co. Before the war, the subsidiary operated 30,000 telephones in the Philippine Islands. Properties suffered severe damage during the war, but operations were resumed in 1946 with the limited facilities it was able to restore to service. At the end of 1949 the company had about 50% (15,000) stations back in service.

The Philippine company's war damage claims have finally been adjusted for a gross amount of about $3.9 millions, some 52% of the total amount claimed. Up to now, 30% ($1,176,000) of the award has been received. However, only 75% of the total is recoverable under the terms of the War Damage Act, the other 25% being a direct claim against the Japanese Government. The amount which may eventually be recovered cannot be definitely ascertained as yet. Until more money is appropriated by the U. S. Congress to the U. S. Philippine War Damage Commission, there will not be enough money to pay more than about half the claim.

Anglo-Canadian Telephone Co., through its subsidiaries, owns the entire outstanding capital stock of Telephone Securities Ltd.

Twin City

Twin City Rapid Transit Co. owns and controls through subsidiaries the entire street railway systems in Minneapolis, St. Paul and vicinity. Total mileage is 424.31. It also owns all of the local bus lines operating in and between Minneapolis and St. Paul. A population of over 800,000 is served.

Operations in 1949 were hit hard by a slowing down of business tempo and employment in the communities served, and an increase in the use of private automobiles. Total of revenue passengers carried dropped 12.1% and total revenue 2.2%. This factor, coupled with a 2.4% boost in expenses, led to a net loss of $423,694 for the year ($302,992 in 1948).

Although fare increases on city streetcars and some bus lines were authorized, effective Oct. 22, they were not sufficient, according to the company, to maintain a proper standard of service and provide a fair return on the value of the property. Applications have therefore been made by the Minneapolis Street Railway Co. and the St. Paul Street Railway Co. to the Minnesota Railroad and Warehousing Commission for a fare "adequate to meet the needs of the companies under existing circumstances." Decision has not been announced.

Fifty new P.C.C. streamlined streetcars were added during the year, at a cost of $1,449,893. They were financed mainly by the issue of $1,100,000 3% Equipment Contracts. A bus rehabilitation shop building was erected at a cost of $114,841 and a major $471,686 improvement was made to the company's main power plant. Worn-out and obsolete property totaling $1,353,014 was retired.

New management, stated to have a vital financial interest in the company, took over operations in November following a year-long battle for control. Charles Green of New York is the new president.

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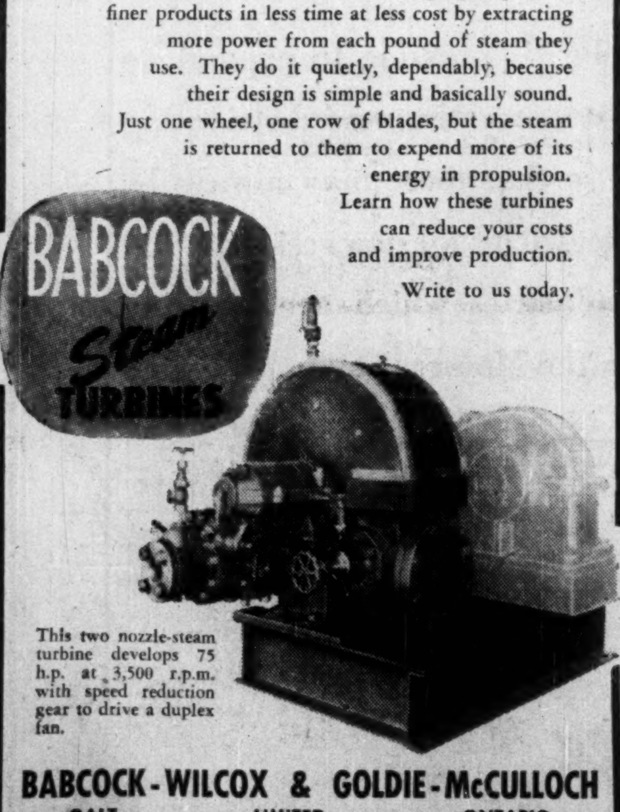

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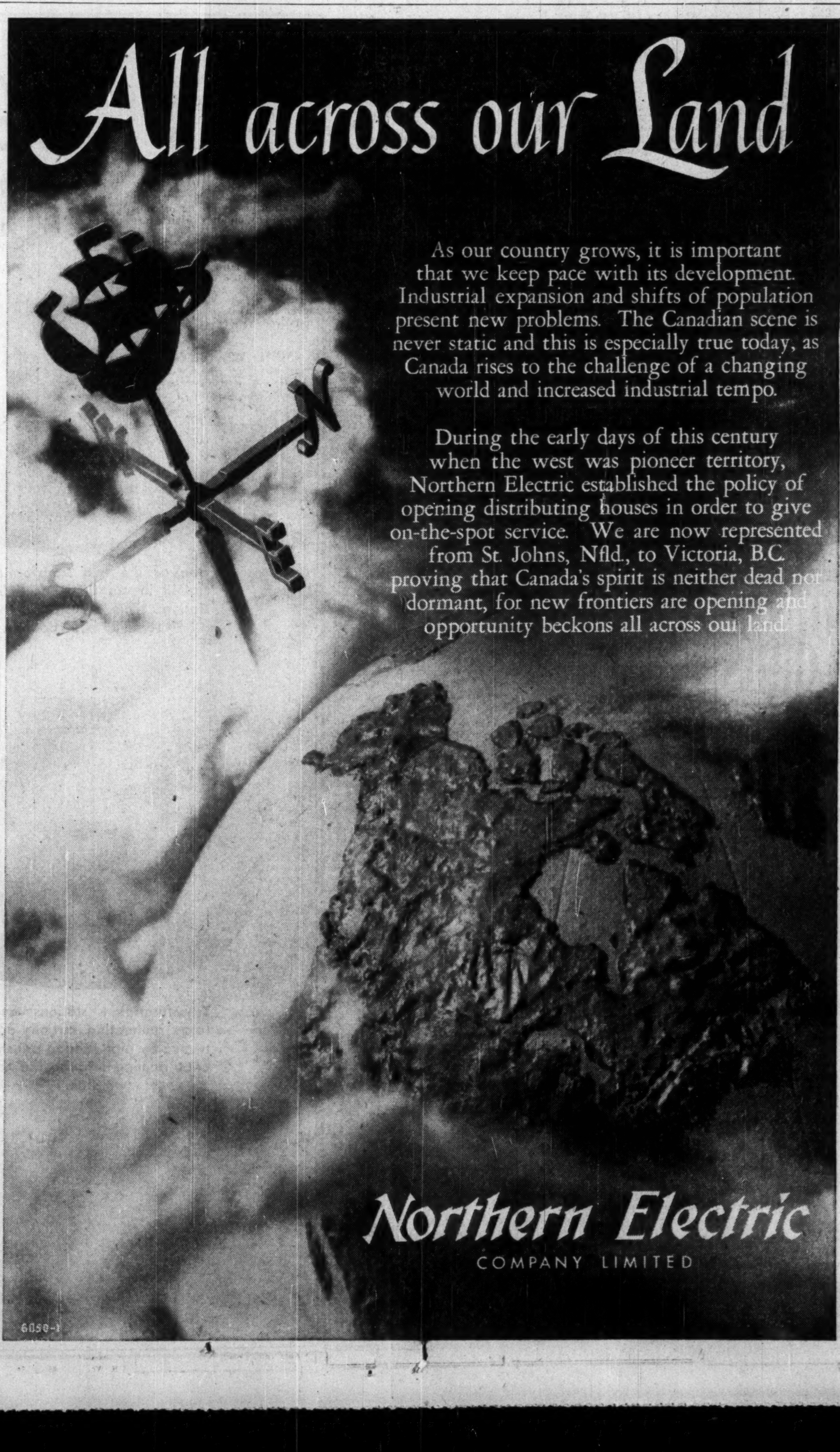

All across our Land

As our country grows, it is important that we keep pace with its development. Industrial expansion and shifts of population present new problems. The Canadian scene is never static and this is especially true today, as Canada rises to the challenge of a changing world and increased industrial tempo.

During the early days of this century when the west was pioneer territory, Northern Electric established the policy of opening distributing houses in order to give on-the-spot service. We are now represented from St. Johns, Nfld., to Victoria, B.C. proving that Canada's spirit is neither dead nor dormant, for new frontiers are opening and opportunity beckons all across our land.

Northern Electric
COMPANY LIMITED

DIVIDEND NOTICES

Dividend No. 251

Notice is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Thursday, the first day of June next, to shareholders of record at the close of business on the 29th day of April, 1950.

By Order of the Board.

T. H. ATKINSON, General Manager.

Montreal, Que.
April 18, 1950

THE ROYAL BANK OF CANADA

NEW CALUMET MINES LIMITED

(No Personal Liability)

DIVIDEND NO. 6

NOTICE IS HEREBY GIVEN that a dividend of 3 cents per share has been declared by the Directors of New Calumet Mines Limited (No Personal Liability), payable in Canadian funds on May 19th, 1950, to shareholders of record May 11th, 1950.

By Order of the Board.

W. B. MALONE,
Secretary.

Toronto, Ontario,
April 24th, 1950.

MADSEN RED LAKE GOLD MINES LIMITED

(No Personal Liability)
Room 812, 67 Yonge St., Toronto.

DIVIDEND NO. 17

NOTICE is hereby given that a half-yearly dividend of 5 cents per share has been declared by the Directors of Madsen Red Lake Gold Mines Limited (No Personal Liability), payable in Canadian Funds on June 15th, 1950, to Shareholders of record May 15th, 1950.

By Order of the Board.

M. MASTERSON,
Secretary-Treasurer.

Toronto, April 26th, 1950.

Brazilian Traction, Light and Power Company, Limited

Notice is hereby given that the Board of Directors of this Company has declared a dividend of one dollar per share on the Company's issued Ordinary Shares of no par value, payable on June 15th, 1950 to shareholders of record at the close of business on May 10th, 1950.

In the case of share warrants to bearer the above dividend is represented by Coupon No. 85, which coupon should be detached by the holders of warrants and presented for payment as follows:—

1. Coupons detached from warrants physically held in and by residents of Belgium or the Duchy of Luxembourg, France, or The Netherlands—after compliance with the Belgian, French or The Netherlands regulations pertaining thereto and following a notice which will be published in each country in connection therewith — must be presented to the Company's paying agent in Brussels, Paris or Amsterdam, respectively, for payment.
2. In all other cases coupons may be presented in England to The Canadian Bank of Commerce, 2 Lombard Street, London, E.C.3, or in Canada to the Company, 25 King Street West, Toronto. If presented in England coupons will be paid in Canadian currency provided holder complies with the Exchange Control Act (1947).

Payment of this dividend to non-residents of Canada will, where applicable, be subject to deduction of Canadian Non-resident Income Tax.

Dated at Toronto, Canada, the 25th day of April, 1950.

By Order of the Board.

OSBORNE MITCHELL,
Secretary.

The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada, and The National City Bank of New York, New York, who should be notified promptly of any change of address.

THE CORRUGATED PAPER BOX COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.25 per share on the Preferred Stock of the Company and a quarterly dividend (No. 14) of thirty-seven and one half cents ($.37½) per share on the Common Stock of the Company have been declared payable June 1st, 1950 to shareholders of record at the close of business on May 12th, 1950.

Dated this 21st day of April, 1950.

E. R. BLUETHNER,
Secretary.

Canadian Dredge & Dock Co. Limited

Common Stock Dividend No. 27

Notice is hereby given that a dividend of One Dollar and Forty Cents ($1.40) per share has been declared on the Common Stock of Canadian Dredge & Dock Co. Limited payable in two equal instalments of Seventy Cents (70c) each on:

1. June, 15th., 1950, to shareholders of record at the close of business on May, 15th., 1950;
2. December, 15th., 1950, to shareholders of record at the close of business on November, 15th., 1950.

By Order of the Board.

T. C. LUKE
Secretary.

Toronto, Ontario,
April, 25th., 1950.

Canadian Car & Foundry Company, Limited

Notice is hereby given that dividend No. 17 of twenty-five cents (25c) per share on the Class "A" Stock and dividend No. 41 of twenty cents (20c) per share on the Ordinary Stock of the company, have been declared for the three months ending May 22, 1950, payable May 22, 1950, to shareholders of record May 2, 1950.

By order of the Board.

D. H. FORSYTH, F.C.I.S.
Secretary

Montreal, Canada
April 24, 1950.

DIVIDEND NOTICES

BICKLE-SEAGRAVE Limited

A Subsidiary of Mindus Corporation Limited

DIVIDEND NO. 4

Notice is hereby given that a dividend of five cents (5c) per share on the outstanding Common Shares of the Company has been declared payable May 22, 1950, to shareholders of record at the close of business on May 5, 1950.

By Order of the Board.

D. L. MEADES,
Secretary-Treasurer.

ENAMEL & HEATING PRODUCTS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 50c per share has been declared on the issued and outstanding Capital Stock of the Company, payable on Monday, July 31, 1950, to the Shareholders of Record at the close of business June 30, 1950.

By orders of the Board of Directors.

A. R. FRENCH,
Secretary-Treasurer

April 28, 1950.

DIVIDEND NOTICE

CANADA MALTING CO., LIMITED

NOTICE is hereby given that a dividend of Fifty Cents (50c) per share has been declared on the no par value stock of the Company, payable June 15, 1950, to Shareholders of record at the close of business on the 15th day of May, 1950.

Share Warrant Holders will present Coupon Serial No. 90 to The Royal Bank of Canada, MONTREAL, TORONTO, WINNIPEG and CALGARY, on and after June 15, 1950.

By Order of the Board.

GEORGE J. WILLIAMS,
Secretary.

Dated at Toronto,
April 25, 1950.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 1¾% has been declared on the Preferred shares of the Company, payable on June 1st 1950 to shareholders of record at the close of business on May 3rd, 1950.

By Order of the Board,

D. A. MacINNES,
Secretary.

NOTICE IS HEREBY GIVEN that a dividend of 40c per share has been declared on the outstanding shares of the Common Stock of the Company, payable on June 1st 1950 to shareholders of record at the close of business on May 3rd, 1950.

By Order of the Board,

D. A. MacINNES,
Secretary.

Imperial Tobacco Company of Canada, Limited

— DIVIDEND —

NOTICE IS HEREBY GIVEN that an Interim Dividend (No. 188) of twelve and one-half cents (12½c) per share on the paid-up Common Shares of the Company has been declared payable on Friday, the 30th day of June, 1950, to shareholders of record at the close of business on Tuesday, the 16th day of May, 1950.

By Order of the Board.

A. R. TILLEY,
Secretary.

MONTREAL, P.Q.,
27th April, 1950.

LOBLAW GROCETERIAS CO., LIMITED

Notice is hereby given that a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "A" shares and a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "B" shares of the Company have been declared for the quarter ending May 31st, 1950, payable on the 1st day of June, 1950, to shareholders of record at the close of business on the 3rd day of May, 1950. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH,
Secretary.

Toronto, April 26, 1950.

POWELL RIVER COMPANY LIMITED

NOTICE OF DIVIDEND NO. 22

A meeting of the Board of Directors of Powell River Company Limited was held on Tuesday the 18th day of April, 1950, at which the following resolution was passed:

UPON MOTION IT WAS RESOLVED that the regular quarterly dividend of fifty cents (50c) per share, and an extra dividend of one dollar and fifty cents ($1.50) per share be paid on the issued shares of the Company in Canadian funds on the 15th day of June, 1950, to shareholders of record as of the 23rd day of May, 1950, and holders of share warrants, subject to approval of the Foreign Exchange Control Board.

Said dividends will be paid in respect of the shares specified in any bearer share warrant of the Company upon presentation and delivery of Coupon No. 22 at any branch of the Bank of Montreal in Canada (far Northern points excepted) and at the branches in New York, Chicago or San Francisco, on or after June 15, 1950.

By Order of the Board.

JAMES H. LAWSON,
Secretary.

Vancouver, B.C.
April 25, 1950.

DIVIDEND NOTICES

UNITED STEEL CORPORATION LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly common stock dividend of fifteen (15) cents per share has been declared, payable June 30, 1950, to shareholders of record June 15, 1950.

By Order of the Board.

SALTER A. HAYDEN,
Secretary.

April 26, 1950.

LAKE SHORE MINES LIMITED

(No Personal Liability)

DIVIDEND NO. 121

NOTICE is hereby given that a dividend of Twenty Cents per share on the issued capital stock of the Company, will be paid on the fifteenth day of June, 1950, to shareholders of record at the close of business on the fifteenth day of May, 1950.

By Order of the Board.

KIRKLAND SECURITIES LIMITED,
Secretary.

Dated at Kirkland Lake, Ontario,
May 1st, 1950

NORANDA MINES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of One Dollar ($1.00) per share Canadian funds, has been declared by the Directors of Noranda Mines, Limited, payable June 15th, to shareholders of record May 12th, 1950.

By Order of the Board.

J. R. BRADFIELD,
Secretary.

Toronto, Ontario,
April 28, 1950.

British Columbia Forest Products Limited

NOTICE OF DIVIDEND NUMBER 6

At a meeting of the Board of Directors a Dividend of Fifteen Cents (15c) per Share on the issued Ordinary Capital Stock of this Company was declared payable in Canadian funds on August 1, 1950, to shareholders of record at the close of business on June 30, 1950.

Such Dividend will be paid in respect of the Shares specified in any bearer share warrants of the Company upon presentation and delivery of Coupon No. 6 at the Main Offices of the Royal Bank of Canada in Vancouver, Montreal, Toronto, Halifax and Saint John on or after August 1, 1950.

By Order of the Board.

T. L. DANIELS,
Secretary.

Vancouver, B.C.
April 28, 1950.

ALUMINIUM LIMITED

DIVIDEND NOTICE

On April 27th 1950, a quarterly dividend of Sixty cents per share in Canadian currency was declared on the no par value Shares of this Company, payable June 5th, 1950, to shareholders of record at the close of business May 5th, 1950.

Montreal
April 27th, 1950

J. A. DULLEA
Secretary

Borden's

DIVIDEND No. 161

An interim dividend of sixty cents (60¢) per share has been declared on the capital stock of *The Borden Company*, payable June 1, 1950, to stockholders of record at the close of business May 11, 1950.

E. L. NOETZEL
Treasurer

April 25, 1950

Upper Canada Mines Limited

(No Personal Liability)

DIVIDEND NO. 27

Notice is hereby given that an interim dividend of two and one-half cents (2½c) per share has been declared on the outstanding capital stock of the Company payable in Canadian Funds on June 2nd, 1950, to shareholders as of record at close of business May 12th, 1950.

By Order of the Board.

G. F. SUMMERS,
Secretary-Treasurer.

Toronto, April 28th, 1950.

Donnacona Paper Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.125 per share has been declared on the Cumulative Convertible Redeemable Preferred shares of the Company for the quarter ending August 15th, 1950, payable August 15th, 1950, to shareholders of record on the 14th day of July, 1950.

By Order of the Board.

P. L. FITZGERALD, C.G.A.,
Secretary.

Sicks'

SICKS' BREWERIES LIMITED

Dividend Notice

NOTICE IS HEREBY GIVEN that a dividend (No. 84) of thirty cents (.30c) per share on the outstanding capital stock of the Company, has been declared payable on the 30th day of June, 1950, to shareholders of record at the close of business on the 23rd day of May, 1950.

By Order of the Board,

I. N. WILSON,
Secretary.

CALGARY, Alberta,
April 26th, 1950.

Canada's Record Utility Program

(Continued from page 21)

ing travel conditions continue to reflect high levels of industrial and commercial activity and high employment peaks. Urban and interurban transit companies carried a total of 1,617,665,372 passengers in 1949 as compared with 1,603,801,109 in the previous year. The high activity has continued so far into 1950 with no indication of any important letdown in travel tempo.

Margin of operating profit continues to shrink for many companies as most operating costs continue to rise faster than revenues. The result is that more and more companies have been making application for fare increases. Toronto, Montreal, Vancouver, Quebec City, Winnipeg, Ottawa and Hamilton are just a few of the larger Canadian cities that have been caught in the squeeze between higher costs and more or less fixed level of fares and are either planning or have actually applied for upward revision in rates.

National revenues, reflecting some recent fare increases, were up 10% in December over the same month in 1948. This higher revenue trend is continuing into 1950 as more and more transit firms are being granted moderate upward rate revisions.

Gray Coach Lines, Toronto, recently set what will likely be a pattern for Ontario interurban lines by boosting fares 5%.

The most striking postwar trend, the swing away from streetcars to trolley coaches, gas and diesel buses, was accelerated during 1949 as additional systems abandoned cars in favor of trolley and motor buses. Halifax, Cornwall and Nelson discontinued streetcar operations during the year. Saskatoon introduced trolley buses in January, 1949, as did Halifax and Cornwall, while Nelson now uses motor buses. In all, there are approximately 870 trolley coaches in operation or on order in 14 cities extending from Vancouver to Halifax—an increase of more than 1,100% in less than five years. Nearly 51% of all passengers carried on transit systems during 1949 were moved on motor and trolley buses, as compared with only 32.7% in 1946.

Gas

Natural and manufactured gas consumption has shown a consistently rising pattern since 1946 and every major company in this field is hard put to meet demand. Consumption was up 4.7% over previous year and up 26% above 1945. Impact of rapid oil development in Alberta and growing population in and around Calgary and Edmonton has helped boost natural gas sales to new record peaks in Alberta.

Highlights in the gas picture are the applications before U. S. and Canadian governmental bodies for permission to construct natural gas pipe lines for export of gas to large waiting markets. At least four recently incorporated companies propose to export natural gas out of Alberta—three to B. C. and the Pacific Northwest States of U. S. and one eastward to Winnipeg, thence south to Minnesota.

In Washington the Federal Power Commission is holding hearings on an application of Panhandle Eastern Pipe Lines to boost pipeline capacity to permit delivery of natural gas to Union Gas Co. of Canada, Chatham, on a 75 million cu. ft. daily basis. The proposal is to construct a $25-million pipe line that would take delivery of gas on Canadian side of Detroit River and distribute it to local gas utility companies in Brantford, Hamilton and Toronto.

Regardless of outcome of current applications it appears almost certain that at least one pipe-line company will be exporting large quantities of natural gas out of Alberta, probably westward, within next two or three years.

As likely is large-scale import of gas into Southern Ontario within the same period.

Such developments will make an important impact on the utility picture of all the urban centres within economic distance of the pipe lines.

Farmers Borrow $45 Millions in 1949 Under Farm Improvement Loans Act

Canadian farmers in 1949 borrowed $45.8 millions from the chartered banks under the Farm Improvement Loans Act, to improve their farms, construct new buildings and repair old ones, buy implements and household equipment, the annual report of the Finance Minister on the operation of the act reveals.

The 1949 total is about $16 millions higher than in 1948 and the highest on record. In the period since the act first came into operation March 1, 1945, to Dec. 31 last, total borrowings under it amount to $106.6 millions.

The $45 millions borrowed in 1949 was distributed over 44,775 farmers, about 14,344 more than in the previous year. By far the largest proportion of the loans were to buy implements with 39,197 loans for $41.7 millions.

Loans for Construction

The next largest single item was 2,024 loans totaling $2.1 millions for "construction, repair or alteration of or making of additions to any building or structure on a farm."

Other purposes for which loans were made include 1,111 totaling $804,515 to purchase livestock; 362, for $186,038 for purchase or installation of agricultural equipment or a farm electric system; seven for $3,043 for alteration or improvement of a farm electric system; and 34 for $19,718 for erection or construction of fencing or works for drainage of a farm. There were 2,040 loans totaling $979,463 for general miscellaneous purposes designated in the regulations.

Preliminary estimates made by the bankers indicate that the total volume of borrowing in 1950 will be substantial. Some bankers believe it may be down a little from 1949, basing their estimates on the fact that much of the needed improvement on farms has already been made, while the fact that the initial payment for wheat has been reduced this year was also seen as a factor tending to curtail farmers borrowings.

Bankers taking this view pointed out that the season had been a backward one so far and accordingly it was not very fair to make an estimate just yet. One banker, however, estimated the loans of his institution under the act to be running about 15% below 1949. Another bank which does a substantial amount of lending under the act stated its loans to March 31, to be ahead of 1949 with indications that the total for 1950 would be better than last year.

Here's how the loans for each year since the act went into operation compare.

Year	No. of Loans	Amount $
1945 (10 mos.) ..	4,311	3,381,742
1946	13,030	9,880,566
1947	22,046	18,160,821
1948	30,431	29,331,131
1949	44,775	45,879,080
Total	114,593	106,633,340

Lending in 1949 by Provinces:

	No.	Amount
Alberta	14,430	$14,659,490.19
Saskatchewan .	15,588	16,497,396.97
Manitoba	7,128	7,242,324.01
Ontario	4,340	4,260,504.55
Brit. Col.	1,344	1,358,712.27
Quebec	1,388	1,341,867.92
Nova Scotia ...	163	132,450.91
New Brunswick	168	182,255.66
P. E. Island....	226	204,077.87
Total	44,775	$45,879,080.35

Loans Increase in East

An important feature is the extent to which loans under the act increased in Eastern Canada. The annual report, issued by the Finance Minister Abbott, shows the following increases in values in different areas: Prince Edward Island, 343.5%; Quebec, 199.9%; New Brunswick, 112.9%; Ontario, 88.5%; Nova Scotia 82.3%. British Columbia's borrowings rose 81.8%; with Alberta, Saskatchewan and Manitoba showing increases of 37.8%, 57% and 59.7%, respectively.

The large proportion of borrowing to finance purchase of farm implements reflects the trend toward farm mechanization in Canada. The money borrowed under this heading at $41.7 millions was 87.6% of the total and more than 86.6% of these loans were made in the Prairie provinces where there has been a strong swing to mechanization. From figures available, it is calculated that about 31% of all tractors, 38% of all combines, and 28% of all threshers purchased in Canada last year were financed under the act.

Of the loans made to buy livestock, the larger proportion were for the purchase of milch cows and registered breeding stock by small farmers, while 434 new farm houses and 671 new barns, sheds and other out-buildings were built in 1949 with the help of these FILA loans. In addition 900 loans totaling $795,000, were made for the alteration and repair of all farm buildings, including installation of plumbing and heating systems.

The report states that of the $106.6 millions loaned under the act, repayments up to Dec. 31, 1949 total $62.2 millions. Repayments since the inception of the act accordingly are equivalent to 58.3% of total loans.

Satisfactory Experience

Bankers state that the percentage of repayments of loans has been exceedingly satisfactory. Losses have been negligible, said one bank executive. The report itself corroborates this. Thirteen claims for loss were made by the banks in 1949 under the guarantee given by the government. These claims aggregated $10,264.

The Farm Improvement Loans Act passed in 1944, effective March 1, 1945, was designed to provide intermediate term credit and a type of short term credit to farmers for the improvement and development of their farms and making farm life generally more attractive. It was aimed at helping average farmers previously unable to secure bank credit. It provides credit under terms and conditions convenient and suitable to the needs of the particular farm borrower and the particular part of the country he lives in. By helping to make farm life more attractive, it is hoped it will induce people to remain on the farms and others to take up farm life.

The loans are obtainable from the chartered banks which under the act are empowered to take as security a lien on implements and equipment purchased by borrowed funds or to take a mortgage on farm property, an entirely new development in Canadian banking. The loans are available on terms of from one to ten years and the maximum amount is $3,000. Interest is payable at 5%. The government guarantees the banks against loss up to 10% of the aggregate principal amount of the loans made by each bank. Its liability is limited to 10% of an aggregate principal amount of $250 millions in loans by all banks over the six years from 1945 to 1951.

DIVIDEND NOTICES

Lily of France Corset Company, Ltd.

Under the provisions of The Companies Act, 1934, Canada, as amended, Lily of France Corset Company, Ltd., hereby gives notice that it will make application to the Honourable the Secretary of State of Canada, for acceptance of the surrender of its charter and its cancellation on and from a date to be fixed by him.

Montreal, P.Q., April 6, 1950.

(sgd) MORRIS GOLDSTEIN,
Secretary.

UNIVERSAL COOLER COMPANY LIMITED

Preference Dividend No. 2

Notice is hereby given that the second regular quarterly dividend, for the quarter ending on the fifteenth day of May, 1950, of one and one-half per cent (1½%) has been declared on the outstanding 6% cumulative participating redeemable preference shares of the Company, payable May 15, 1950, to shareholders of record at the close of business of May 1, 1950.

By Order of the Board.

A. D. HALL,
Secretary.

Brantford, Ontario, April 27, 1950.

ANGLO-CANADIAN TELEPHONE COMPANY

Class A Dividend

NOTICE is hereby given that a dividend of One and One-Half percent (1½%) has been declared on the Class A Stock of the Company, payable June 1, 1950 to Stockholders of record at the close of business on May 10, 1950.

By Order of the Board,

CAMERON HOUGH, F.C.I.S.
Secretary.

Montreal, March 3, 1950.

ROYALITE OIL COMPANY, LIMITED

NOTICE OF DIVIDEND NO. 46

NOTICE is hereby given that a Dividend of Six and one-half Cents per share has been declared payable to shareholders of the Company of record as such on the books of the Company at the close of business on Saturday, the 13th day of May, 1950, and that the said Dividend will be payable on or after Thursday, 1st day of June, 1950.

By Order of the Board.

R. D. MERCER,
Secretary-Treasurer.

Calgary, Alberta,
April 26th, 1950.

HOME OIL COMPANY LIMITED

Dividend Notice

NOTICE is hereby given that a dividend of Twenty-Five Cents (25c) per share has been declared on the outstanding capital stock of the Company, payable in Canadian funds, on the 15th day of June, 1950, to shareholders of record at the close of business on the 15th day of May, 1950, subject to the approval of the Foreign Exchange Control Board.

By Order of the Board,

J. W. HAMILTON,
Secretary-Treasurer.

Calgary, Alberta,
April 26th, 1950.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SHEA'S WINNIPEG BREWERY LTD., Winnipeg, Man., shows a consolidated 1949 net profit of $1,045,613, down 6.9% from 1948.

President J. T. Boyd reports that over $200,000 was spent in 1949 on additions to the brewery building and equipment. The modernized bottling line is now in full operation and a new freight elevator and conveyor system have been installed to facilitate the movement of bottled beer.

Brewery plants are now operating on a 40-hour week. It is anticipated that this can be maintained throughout the year without adverse effect on production.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,028,438	$2,022,901
Less: Depr.	314,855	163,724
Income tax	667,970	736,669
Net profit	1,045,613	1,122,508
Less: Cl. A divds.	57,952	70,851
Cl. B divds.	404,636	381,183
Surplus for year	583,025	670,474
Earnings per Share and Dividend Record:		
Class A	$12.72	$9.32
Paid	0.55	0.55
Class B	4.62	5.40
Paid	1.50+0.50	1.50+0.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$1,065,321	$794,137
Accts. rec.	174,579	472,092
Inventories	238,253	274,239
Total curr. assets	1,478,153	1,540,468
Prep. exp.‡	43,052	31,133
Loans rec.	650,068	489,493
Invest. & adv. subs. ..	1,050,230	847,494
Misc. assets▲	162,323	197,788
Fixed assets*	2,856,167	2,536,233
Total assets	6,239,993	5,642,609
Bank overdraft	......	82,460
Accts. pay.▲	168,204	210,187
Taxes pay.	401,649	335,395
Total curr. liab.	569,853	628,242
Mtge. pay.	520,692	570,876
Pension liab.	30,000	59,303
Res. re subs.	200,000	200,000
Capital stock	1,300,000	1,300,000
Earned surplus	3,619,448	2,884,188
*After depr. of	1,319,899	1,049,876
▲Incl. ref. EPT	124,647	145,035
‡Incl. in curr. assets in co's report.		
Working capital	908,300	912,226

NEW DICKENSON MINES has received payment for balance of June 15 installment of 50,000 shares at 60c a share under agreement with Brewis & White Ltd. Issued capital is 2.3 million shares, leaving 1,450,000 in treasury.

Grain Prices

Chicago Futures

Week to May 1, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close May 1
		Wheat—			
2.34	1.19¾	May ...	2.34	2.28⅞	2.32¾
2.21⅞	1.84	July ...	2.21⅞	2.12⅞	2.13¾
2.20	1.86¾	Sept. ...	2.20	2.12⅞	2.19
2.21½	1.88½	Dec. ...	2.21½	2.14	2.20¼
		Corn—			
1.48	1.13¼	May ...	1.48	1.41⅛	1.47⅞
1.47¼	1.19	July ...	1.47¼	1.41	1.47
1.40⅛	1.17¼	Sept. ...	1.40⅛	1.34⅞	1.40¼
1.32	1.10⅞	Dec. ...	1.32	1.30⅞	1.31⅛
		Oats—			
.84⅛	.59⅞	May ...	.84⅛	.78¼	.83⅞
.80⅞	.56¼	July ...	.80⅞	.73¼	.80¼
.76¼	.59⅞	Sept. ...	.76¼	.69¼	.75¾
.77⅞	.61¼	Dec. ...	.77⅞	.70⅞	.77
		Rye—			
1.39⅞	1.25⅞	May ...	1.43	1.31¼	1.40⅞
1.53⅞	1.26⅞	July ...	1.43⅛	1.33⅞	1.43⅞
1.48	1.28¼	Sept. ...	1.48	1.25⅞	1.47¼
1.52¼	1.31⅛	Dec. ...	1.52¼	1.40	1.51⅛
		Soybeans—			
May			3.10¼	2.88½	3.10¼
July			3.08¼	2.01	3.08¼
Nov.			2.29½	2.15	2.29
Jan.			2.30⅞	2.16¼	2.30

Chicago Cash

	For Week May 1 High	Low	Prev. High	Week Low
Corn—				
2 Yel.	1.51¼	1.47¼	1.47	1.4[illegible]
Oats—				
1 H. Wh.	.89	.84	.85	.82¼

Winnipeg Futures

Week to May 1, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close May 1
		Oats—			
1.05⅜	.69¼	May ...	1.05⅜	.97⅞	1.04⅛
.96	.72½	July ...	.96	.88⅜	.95⅜
.87⅛	.70¼	Oct. ...	.87⅛	.80¼	.87⅛
		Barley—			
1.50⅞	1.09¼	May ...	1.50⅞	1.39⅞	1.50¼
1.42⅞	1.09⅞	July ...	1.42⅞	1.33¼	1.42¼
1.24⅞	1.01¼	Oct. ...	1.24⅞	1.17⅞	1.24⅜
		Rye—			
1.64	1.40⅛	May ...	1.54⅛	1.41⅞	1.54¼
1.60⅛	1.26⅞	July ...	1.56¼	1.43⅞	1.55⅛
1.58	1.33⅛	Oct. ...	1.58	1.45⅛	1.56¼
		Flax—			
3.79	2.62	May ...	3.78¼	3.77¼	3.77¼
3.79	3.48	July ...	3.74⅛	3.74	3.74⅛
3.42	3.27	Oct. ...	3.38	3.38	3.38

Winnipeg Cash

	For Week May 1 High	Low	Prev. High	Week Low
Oats—				
2 C. W.	1.09	1.02⅞	1.04⅞	1.01
3 C. W.	1.08	1.01⅞	1.03⅞	1.00
Barley—				
1 Feed	1.48⅜	1.38⅞	1.41⅛	1.38⅛
2 Feed	1.48⅜	1.38⅛	1.41	1.38¼
1 Malt	1.82⅜	1.75¼	1.76⅜	1.74
Rye—				
2 C. W.	1.54¼	1.42¼	1.43¼	1.39⅞
Flax—				
1 C. W.	3.78¼	3.77¼	3.77⅞	3.72¼

Kerr-Addison Ups Profit, Recovery

Kerr-Addison Gold Mines estimated net profit for the first quarter of 1950 was 29c a share, compared with 84c in the full year 1949. Average recovery was up sharply to $8.26 a ton ($6.65 in 1949).

A total of 387,696 tons were milled, or an average of 4,308 daily. From these were recovered 83,163.19 oz. gold ($3,204,482). Costs were $1,214,285 ($3.13 per ton), depreciation amounted to $182,166 and taxes to $473,862. Miscellaneous income totaled $43,851, giving an estimated net profit of $1,378,019.

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Giant New Ore Body Runs Big and Rich May Lift Mill to 700-Ton Capacity

By GORDON M. GRANT

A big new ore body apexing just above the fourth level at No. 2 shaft of Giant Yellowknife Gold Mines is rapidly establishing itself as one of the biggest and richest gold ore bodies found in Canada in recent years. It will undoubtedly have a profound effect on the company's fortunes and seems likely to bring about mill expansion at a much earlier date than previously appeared likely.

Drifting in the 409 north drift, drill holes put out horizontally, up and down, combine to show fine grade and dimensions for the ore body which is located at the extreme north end of the No. 2 shaft workings and thus in the most northerly area opened underground at the Giant property.

It has been the down holes from No. 409 drift which have returned the most remarkable values suggesting that the ore body is a deep and rich one.

Below is a summary of the down holes completed along a 250-ft. length:

Location ft.	Core length ft.	—Values— Uncut oz.	Cut oz.
1,650 N	112.5	1.94	1.62
1,800 N	97.0	2.84	2.70
1,850 N*	58.0	0.34	0.34
1,850 N	52.0	5.15	3.75
1,850 N†	39.5	0.35	0.35
1,900 N	41.0	0.58	0.58

*Drilled southeast at 60 deg.
†Drilled northwest at 60 deg.

The second hole listed is believed to be the richest single gold intersection ever made in Canada.

A drift length of 374 ft. in the 409 north drift has given values averaging 1.01 oz. gold per ton in face sampling and 0.82 oz. per ton in car sampling. Horizontal drilling indicates widths of anywhere up to 80 ft. for a 400-ft. length. Values will likely average out from a half ounce to an ounce per ton.

The ore is irregular in outline and 409 drift is close to the top of the ore body although there is a mineable block of ore above the level. Upholes from 409 drift and 407 drift show what has been secured above the level:

Location ft.	Angle deg.	Core length ft.	Assay oz.
Up Holes—409 N. Drift			
1,650 N	50	11.0	0.57
1,650 N	90	10.5	0.70
1,650 N	50	5.0	0.47
		3.0	0.24
		1.5	0.34
1,650 N	25	37.0	1.72
1,700 N	90	15.0	0.26
1,700 N	60	5.5	0.29
		4.0	0.61
		5.0	0.60
		4.5	0.26
1,750 N	90	5.5	0.95
1,800 N	45	32.5	2.12
1,800 N	90	16.5	1.02
1,850 N	60	20.0	0.50
1,850 N	90	35.0	1.52
1,850 N	60	9.0	0.42
1,900 N	90	9.5	0.37
Up Holes—407 N. Drift			
1,500 N	45	37.0	0.41
1,550 N	30	25.5	*4.19
		3.5	0.65
1,550 N	50	63.0	0.53
		5.0	0.63

*1.21 oz. cut grade.

Tonnage of ore indicated below the fourth level is substantial and some of it can certainly be termed as spectacular.

New Level Important

The next level in this area, to be driven from the new No. 3 shaft, will be one of the most important sources of feed yet opened up, the management anticipates. The "Lower" ore body which has been partially outlined below the fourth level from 403 north drift has been traced for a distance of some 600 ft. and is still open to the north. The fifth level will tap a large block of this ore.

It is planned to maintain daily tonnage at some 425 tons for the time being. This is about the capacity of the present roasting plant, but if south ASD ore, which is readily accessible from No. 3 shaft, should prove to have a relatively low ratio of concentration, it may be possible to reach 500 tons daily.

Increases beyond 500 tons a day are being considered. The mill can be adjusted to handle 700 tons daily and a second roasting unit, which could be brought into service in early 1952, would make this figure a logical objective for the first increase in milling capacity. The ultimate rate will depend on the comprehensive program of development which will be undertaken from No. 3 shaft.

Shaft at 716 Ft.

The new No. 3 shaft has reached a depth of 716 ft. The fifth level station will be cut at approximately 750 ft. depth and the shaft will be carried to 1,000 ft. to allow for sump and loading pockets. It should be possible to start lateral development before midsummer.

The first objective will be development of a block of ore in the north part of the South ASD zone, and connection with the No. 2 shaft workings by a long drive on the fifth level. The latter will also give access to the 409 and "Lower" ore bodies. Secondary objectives are development of the South ASD zone, and connection with the No. 1 shaft area through the fourth level.

This is one of the most ambitious programs ever started by a young gold mine. It is designed to open a length of 10,000 ft. for development and exploration and to prove the ore potential on which ultimate size of operation will depend.

Anacon Drill Hole 'Clicks' At Depth; Up Mill Rate

A market mover of recent days—its shares have doubled in recent weeks—Anacon Lead Mines has secured an excellent zinc-lead intersection at depth, improving outlook of the company very materially.

The intersection runs much higher in lead than usually expected at Anacon. This may have a special significance for follow-up drilling now in progress.

Drill hole A-28 proved to be the payoff hole in the present series. At a location 250 ft. east of the north end of the 6th level and 130 ft. below the level, values averaged 15.7% zinc and 6.975% lead, 6.26 oz. silver and 0.02 oz. gold over 6.8 ft. Gross metal content works out to about $50 a ton.

Results from two further holes should be available very shortly.

A third drill has been added to step up the tempo of exploration this week. It is expected that about 10 additional holes will be put in to further outline known ore below the sixth level and after this drilling is completed, location is expected to be selected for a new shaft.

Other Possibilities

Ground further to the north is regarded as very potential mining ground and one drill will likely put down holes to the north for the rest of the summer. There are excellent ore chances south of the shaft and in the Shawinigan showing district and a thorough testing of these has also been recommended.

For the first 26 days of April, the mill handled an average of 520 tons daily with an output of 40 tons of zinc concentrate and 10 tons of lead concentrate daily. The management expected to have tonnage up to 600 tons daily by early in May, a rate which it is thought can be held quite readily. At present heads, this would yield 50 tons of zinc concentrate and better than 12 tons of lead concentrate for a handsome profit, S. E. Malouf, consulting engineer, reports.

Preparations are being made for getting into production of mica which the management expects to return very satisfactory returns. The dryer is in for the mica plant and this completes most of the heavy deliveries. Work is proceeding on a new ore bin and installation of the mica equipment should follow completion of this bin.

Home Oil Shares To Be Relisted

From Our Own Correspondent

CALGARY—Major J. R. Lowery, president of Home Oil Co., announced at the annual meeting that an offer had been made for the relisting of the company's stock on the Toronto Stock Exchange. At the meeting shareholders directed the incoming board to continue discussions toward relisting and having the stock again called for trading on that exchange.

The complete board was re-elected and at a subsequent meeting of directors, Major Lowery was re-elected president and M. M. Porter, vice-president. Other directors are L. D. M. Baxter, Winnipeg; E. E. Buckerfield, Vancouver; E. G. Hanson, Montreal; R. H. B. Ker, Victoria; H. R. Milner, Edmonton; and M. A. Dutton and R. W. Ward, Calgary.

Steep Rock Output Seen 1.2 Millions

Confidence that production would reach 1,200,000 tons at Steep Rock Iron Mines in 1950 was expressed by M. S. Fotheringham, vice-president and general manager at the company's annual meeting.

He described progress on expansion programs as "gratifying" and said that the success which to date had marked the exploration program conducted by Inland Steel of Chicago, under agreement with Steep Rock, had stimulated the attention of the continent's steel industries to the persistence of Steep Rock's deposits at depth and the consequent large increase in the reserves of high grade iron ore.

Directors were re-elected.

Dulama Working For Mill Plans By End of Year

With the objective of opening up its property ready for production as rapidly as possible, Dulama Gold Mines has decided to extend its shaft all the way to 750 ft. for the opening up of four new levels below the 150 and 275-ft. horizons, levels which have already been attended by favorable results.

It is hoped that work can be completed with sufficient rapidity that definite steps can be taken for milling plans by the end of this year. From previous results, it is thought that sufficient ore may be proven to warrant a 500-ton mill installation.

West of the diabase dyke down to 275 ft., No. 1 ore body showed 136,625 tons of ore averaging $8.03 a ton while the same ore shoot east of the dyke shows 17,000 tons of ore averaging $10.95 a ton down to only 50 ft. depth.

Shaft sinking has already been carried below the 500-ft. horizon and investigation of extensions of the main shear and other quartz veins is planned while shaft sinking proceeds.

Ready Plans To Resume At Lake-Osu

Active preparations are being made by Lake-Osu Mines for a resumption of operations at its Osulake property in the O'Sullivan Lake area, Northwestern Ontario, with first supplies for the new program freighted in on May 1, The Financial Post is informed.

Supplementary letters patent were issued early this week confirming reorganization of Osulake Mines on a one-for-two share exchange basis and change in name to Lake-Osu Mines. Shares of the new company have been called for trading on the Toronto Stock Exchange.

Plans are being finalized for extending the shaft below its present bottom at 300 ft. depth and for the further development of the two existing levels where favorable results were secured before operations were previously suspended. It is planned to do new work under contract.

Through financing completed on shares of Osulake Mines immediately preceding reorganization, taking up of a 100,000-share underwriting at 30c and anticipation of a June 1 option on 100,000 of the new company's shares at 30 cents, Lake-Osu starts off with $114,449 in its treasury. There are 1,950,000 shares outstanding of an authorized capital of 3.5 million shares. Options are outstanding on 200,000 shares at 35 cents a share due Aug. 3, 1950, 200,000 shares at 40 cents due Oct. 3, 1950, and 150,000 shares at 45 cents a share due Dec. 3, 1950. This leaves a million shares in the treasury on which there are no commitments.

New president of Lake-Osu is Forrest W. Graham. G. C. McCartney is consulting geologist and Walter A. Carter, the mine manager.

Jaculet Cuts Values In Two Further Holes

Two further drill holes showing ore values have been completed at the Chibougamau property of Jaculet Mines, President T. J. Day, K.C., announces.

Mr. Day reported that interim assay results showed two ore intersections in hole No. 13. The first at 124 ft. showed returns over 3.5 ft. of 0.24 oz. gold, 0.50 oz. silver and 0.98% copper. The second section at 230 ft. gave returns over 5 ft. of 0.24 oz. gold, 0.60 oz. silver and 20% copper.

Hole No. 15 cut the zone and assays so far show a 17-ft. section from 333 to 350 ft. returning 0.23 oz. gold, 0.67 oz. silver and 0.83% copper.

"Diamond drilling has disclosed in the vicinity of the fault area the existence of a large mineralized zone in which large ore depositions may be expected," Mr. Day concludes.

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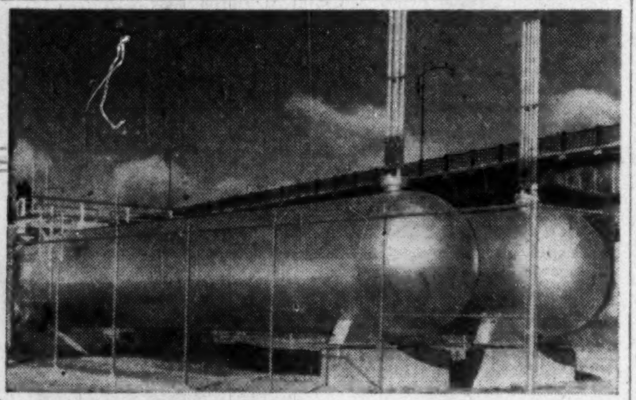

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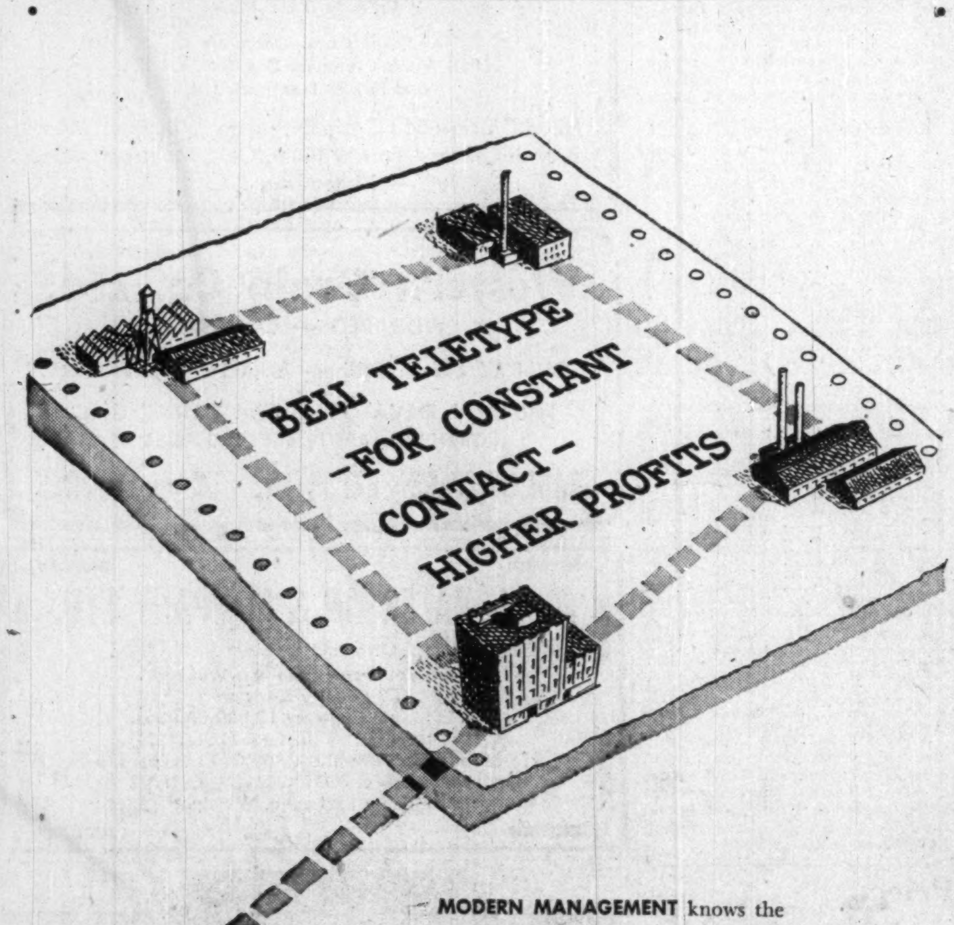

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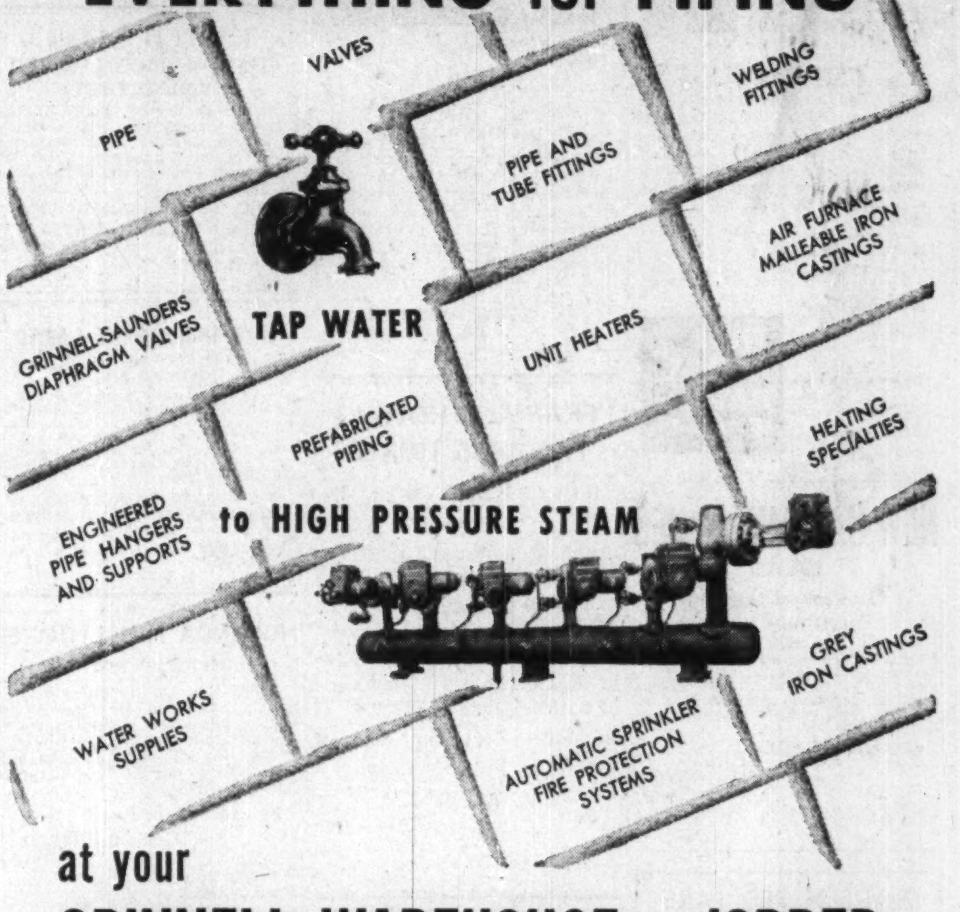

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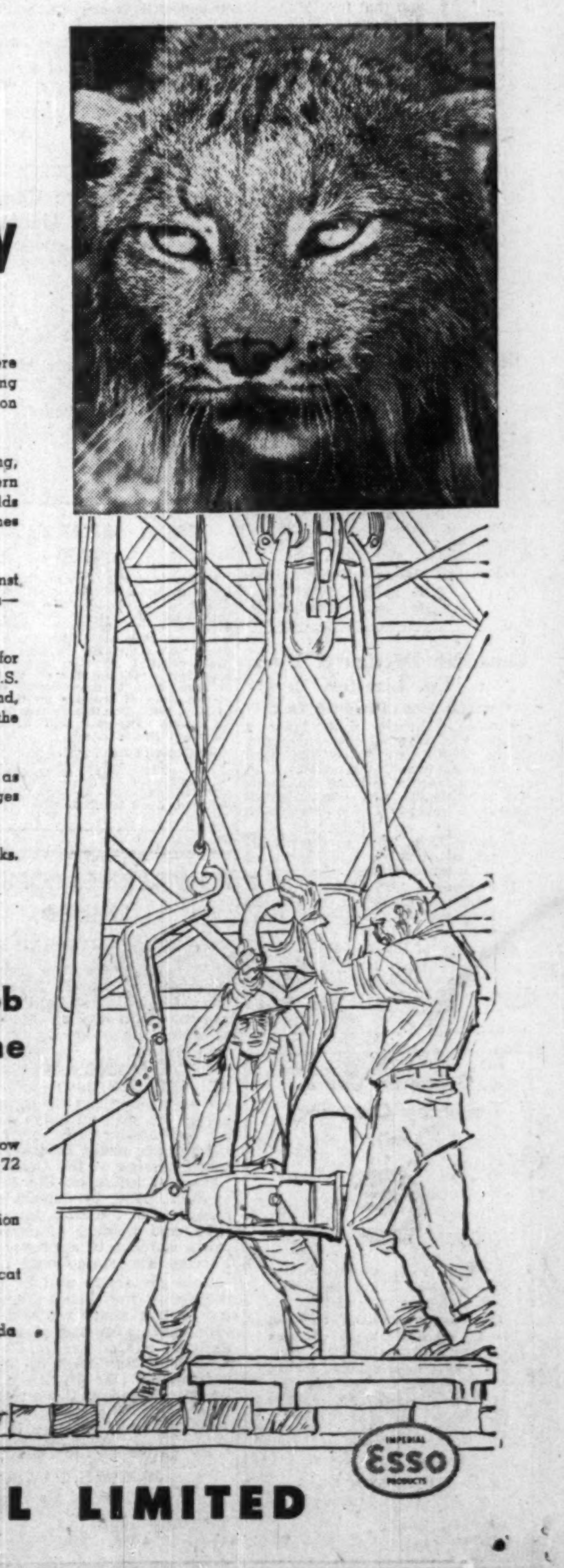

Wildcats are risky

To an oil man a "wildcat" is a well drilled in an area where oil has never been found. Drilling a wildcat is a risky undertaking and a costly one. Some wells have cost more than a million dollars—and have not been successful.

For that reason oil men make as certain as they can, before drilling, that there is a good chance of finding oil. They use the most modern instruments and skills to locate each drilling site; but still the odds are 20 to one against them. Only about one wildcat in 20 becomes a producer.

Over the past 30 years oil men have worked continuously against these odds. In western Canada Imperial alone drilled 134 wells—all dry—before the Leduc field was discovered in 1947.

But the end result has been new oil for Canada and benefits for Canadians. There are thousands of new jobs. Millions of U.S. dollars are being saved as the need for imported oil lessens. And, as another natural resource moves toward full development, the Canadian standard of living climbs higher.

These are real benefits to Canadians and they will increase as more oil is found. But to find more oil and to spread the advantages it brings, oil men must continue to work against long odds.

Sometimes a job that *must* be done *can't* be done without great risks.

Bringing you oil is a big job
. . . and a costly one

About Canada's Oil—Canada's proven oil reserves now amount to about one billion barrels, as compared with only 72 million barrels in 1946.

It is estimated the oil industry will spend $150 millions for exploration and development in western Canada this year.

Last year Imperial drilled or shared in the drilling of 70 wildcat wells.

Wells drilled by Imperial to find and produce oil in Canada during 1949 totalled 231 miles in depth.

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We believe that there are signs now appearing which indicate a keen interest by the investing public in speculative and risk capital ventures. This firm has enjoyed considerable success in this field and invites you to have your name placed on our mailing list so that you may hear of new investment opportunities as they arise.

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ABITIBI POWER & PAPER CO. An additional 27,080 preferred shares of $20 par value each have been purchased by the company and cancelled, leaving balance of 1,241,116 preferred shares outstanding.

GENERAL PETROLEUMS LIMITED

NOTICE OF SPECIAL GENERAL MEETING OF SHAREHOLDERS

TAKE NOTICE that a Special General Meeting of the holders of Class "A" and Ordinary Shareholders of General Petroleums Limited will be held at the office of the Company, 509 — Eighth Avenue West, Calgary, Alberta, on the 16th day of May, 1950, at the hour of 10:00 o'clock in the forenoon for the following purposes, namely:

TO consider, and if deemed advisable, to pass Special Resolutions as follows:

(1) That the share capital of the Company be altered by changing from 3,200,000 shares of No Par Value, divided into 1,600,000 Class "A" shares and 1,600,000 Ordinary Shares, to 2,000,000 shares with a Par Value of $1.00 per share, divided into 1,000,000 Class "A" shares and 1,000,000 Ordinary shares, and that four of the shares presently issued and outstanding be exchanged for one of the new shares.

(2) That there be created an authorized issue of First Mortgage Fifteen Year Debentures up to a maximum of $2,500,000.00, on such terms as the Directors may deem advisable provided that the present issue of bonds be recalled to the extent that they are presently recallable and that funds be placed in trust with the Trustee to cover such bonds of the present issue as are not presently callable.

(3) That the name of the Company be changed, if possible, by including the words "of Canada" before the word "Limited" in the present name.

(4) That the Directors be authorized, when the time to them seems opportune, to apply for the approval of the U. S. Security Exchange Commission.

THE transfer books of the Company will be closed from the 9th day of May, 1950, to the 16th day of May, 1950 both inclusive.

DATED at Calgary, Alberta, this 24th day of April, A.D. 1950.

BY ORDER OF THE BOARD OF DIRECTORS,

H. E. HOWARD,
Secretary.

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Newlund Results Now Sparking Interest In Potential New Gold Mining Country

An important new gold mining camp may conceivably emerge on the heels of fine new ore results at Newlund Mines in Echo twp., Sioux Lookout area, Ontario.

An extensive staking bee in the area has resulted in the taking up much of the close-in acreage and the deal-making stage has now arrived. Windward, adjoining to the west of Newlund, and on strike of the latest Newlund showings, has secured some good drill intersections on its own, will undoubtedly come in for attention. Conecho Mines, also adjoining Newlund to the west, has a magnetometer program completed and a drill program will be under way by May 15. A new company, Bride Gold Mines, has been formed on an adjacent group and an exploration program is being developed.

To the east of Newlund, Villbona Gold Mines has acquired a group of claims from Murdoch Mosher. A thorough program of surface exploration is planned. Mosher Long Lac Gold Mines also holds a group of claims adjoining to the east of Newlund. Altogether it appears that quite a bit of work will shortly be in progress in this area which suddenly skyrocketed into prominence when a Newlund crosscut returned a 38-ft. width of good grade gold ore.

President James Ingram of Newlund and Charles Coleman, its consulting engineer, tell The Financial Post that work out to the west on Newlund has been widening the area which looks like potential mining country.

After driving about 440 ft. west from the shaft crosscut, a stub crosscut put out to the south across the east-west ore structure gave the ore section which has now been averaged out at 0.593 oz. uncut and 0.295 oz. cut across 38 ft. All high assays were cut to an ounce.

Due to the uniform distribution of gold values, it is thought that the crosscut might mine out closer to the uncut than the cut figure.

Drill Hole Shows V.G.

A drill hole put out to the east along and in the strike of the ore zone gave 150 ft. of structure; visible gold showed in about six places in the first 100 ft. As the west heading of the drive has also been encountering visible gold recently and is about 80 ft. to the west of the stub crosscut, there is a strike length of 180 ft. which has visible gold in evidence and could be of considerable importance. A drill hole (No. 27) is being drilled westward from the crosscut. At a location 180 ft. east of the stub crosscut which "clicked," another crosscut is being put out south across the structure. It showed typical structure for the last 10 ft. early this week but no visible gold was in evidence at that time. Preliminary drilling from the drift showed scattered gold values in this section. If this crosscut should provide an ore intersection, prospects will be given quite a lift.

Surface drilling has not been very indicative of what may be found underground but two drill holes to the west gave results of interest. A drill hole 200 ft. west of the present face returned 0.21 oz. over 26 ft. at 110 ft. below surface while a hole 300 ft. further west gave 0.13 oz. over 31 ft., 0.13 oz. over 17.0 ft., 0.15 oz. over 13 ft.

Along the strike farther west, Windward secured values in a series of holes. One not so far west of the boundary gave 1.30 oz. over 5 ft., 0.20 oz. over 5 ft and 0.20 oz. over 2 ft. There appears to be a bend in the contact in the vicinity of the common Newlund-Windward boundary. Geological experience is that a bend in the contact often signals a better grade ore body.

Work to the east has returned occasionally interesting values but they haven't been correlated into an ore shoot as yet. There is at least a further 600 ft. of untested drilling to the east—and ground beyond that again—so that there is plenty of scope for expansion of the present ore picture. There is also a parallel zone which has not been touched as yet.

Prospectors Airways, exploration arm of Anglo-Huronian, holds a 70% interest in Newlund financing. Under the financing deal arranged, a million Newlund shares were taken up at 20 cents a share and options were granted on two blocks of 500,000 shares each at 50 and 75 cents a share with further blocks of 250,000 shares each under option at $1.00 and $1.50 a share. Prospectors Airways will also have a fairly substantial interest in Windward Gold Mines, it is understood.

Barnat Back in Black Again With Output Up in March

With production of $78,500 from 19,777 tons of ore in March against $62,380 from 17,105 tons a month earlier, Barnat Mines is operating in the black again. Operating profit for the latest month approximated $6,500 against a loss of about $5,700 in February.

In the original Sleden No. 1 shaft area, a new "plum" of about 90,000 tons of ore is seen possible so that drawing of ore from this shaft can be continued beyond the end of April when it was thought that ore there would be exhausted.

At the rate of withdrawal of ore from this shaft area in March, this new ore would be sufficient for about eight months' operation. However, the ore will not be permitted at any time to supplant higher grade of ore from the No. 2 shaft area.

Much of March work in the National areas was of a preparatory nature. A raise was completed a final 122 ft. from the 525-ft. level and was in ore for its full distance of 357 ft.

Output Gains At Bralorne

An increase in both tonnage of ore milled and value of gold produced is reported by Bralorne Mines for the first quarter of 1950 as compared with the first quarter a year earlier.

Value of bullion produced was $867,097 from 50,339 tons of ore in the latest quarter (gold at $38.50) against $777,385 from 46,816 tons of ore a year earlier (before devaluation).

The mill operated at capacity during the quarter but power shortage due to heavy snow falls and slides interrupted work for four days in February.

Results of development were better than average in the 53 vein on the 17th level and in the 51 vein on the 18th and 19th levels.

Sinking of the Empire shaft reached its objective during the quarter. The 26th level pocket is still to be finished and new skips and cages will be installed.

Dividends paid in 1949 entitled shareholders to a 20% depletion allowance, the company reports.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

DALHOUSIE OIL CO. holds approximately one-fifth interest in four producing wells in the Redwater area through a $100,000 participation in a syndicate. Syndicate members are considering a proposal for distribution which, if accepted, will enable Dalhousie to secure sufficient cash to carry on such development as may be approved by directors, President W. S. Campbell declares.

A half section 1½ miles east of the Imperial Bon Accord producer was purchased but no development program has been arranged. A well three-quarters of a mile to the west of the half section did not get commercial production.

President Campbell states the company has no definite development plans to report at present.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Prod'n rev. (net)	$19,861	$26,196
Add: Other rev.	10,291	18,212
Total net rev.	30,152	44,408
Less: Admin. exps.	410	260
Depreciation	1,699	2,166
Depletion	4,291	5,149
Interest	1,296	......
Taxes	4,650	10,992
Net prof. & surp.	17,806	25,841
Earned per Share	$0.0059	$0.0086
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. bds.	$169,842	$274,576
Accts., etc., rec.	5,889	4,504
Mater. & supplies	......	55
Total curr. assets	175,731	279,135
Invest. in synd.	100,000	......
Land & leases†	146,037	126,180
Wells, plant & equip.*		25,847
Oil lease	20,000	......
Total assets	441,768	431,162
Total curr. liab.	3,793	10,995
Capital stock	3,000,000	3,000,000
Capital deficit	2,237,807	2,237,807
Operating deficit	324,220	342,026
*After amort. & depr. of	2,445,993	477,143
†After depl. of		1,963,882
Working capital	171,936	268,140

Saskatchewan to Assist Nisto With Road From Stony Plains

A helping hand for development of one of Canada's leading uranium occurrences—the deposit of Nisto Mines at Black Lake, 110 miles east of Goldfields, is being provided by the Saskatchewan and Federal Government's, which will share with Nisto the cost of a road from Stony Rapids.

The proposed road, announced by R. N. Gooding, director of construction for the Natural Resources department, will facilitate transport of heavy mining equipment into the Black Lake area from Stony Rapids, the present terminus of water transport. Stony rapids is linked with the head of rail at Waterways by a series of lakes and rivers.

Construction will start directly after the ice breakup on Lake Athabasca (around the middle of June) allowing barges bearing construction equipment into the area.

Mr. Gooding hoped to have the road completed in time to have mining equipment taken into Black Lake this year. The road will be approximately 17 miles long and will strike Black Lake near the outlet of the Fond du Lac River. From here, small barges would transport equipment to individual mine sites. Two tractors along with allied equipment and operators, supplemented by local labor, will make up the construction crew.

Some equipment has already left Prince Albert on the long, roundabout 800-mile trip, via Edmonton and Waterways, to Stony Rapids, just 400 miles north of Prince Albert.

Seek Hematite Ore At Hematite Town

An old camp site from which MacKenzie and Mann procured ore for a blast furnace that operated in the Port Arthur area is being used in drilling operations by North Range Mining Co., Negaunee, Michigan, at Hematite, 10 miles east of Atikokan.

Two drills from Boyles Bros. Eastern Ltd., are working on an open contract in what is apparently a pretty sizeable exploration effort. There are many indications of iron ore in the region west of Port Arthur. Trick is, of course, to secure a high grade iron ore such as hematite without an undesirably high content of such impurities as sulphur, phosphorus and silica.

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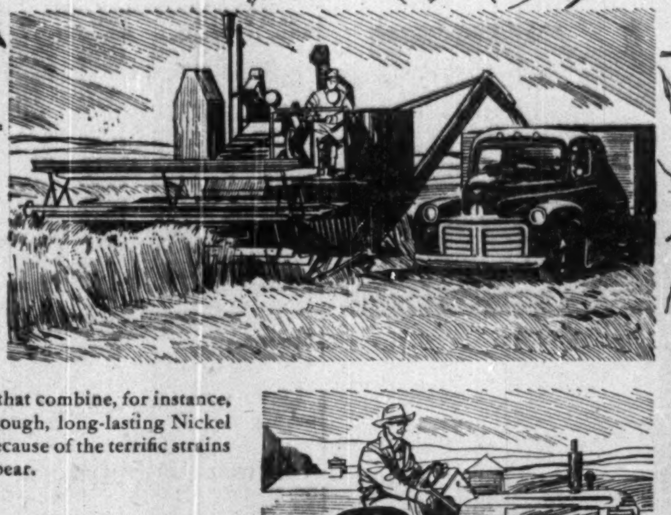

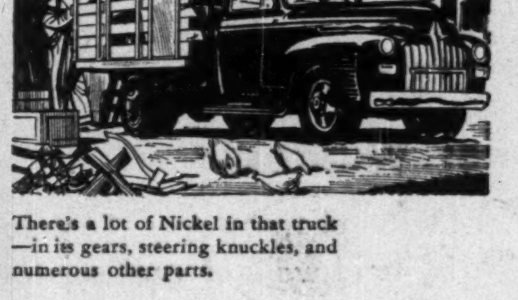

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HOMER YELLOWKNIFE MINES reports that, subject to shareholders' approval and issue of S.L.P. increasing authorized capital to four million shares, it will acquire 18 claims in the Yellowknife district from Jacomat Mines for 300,000 shares of stock and $5,000 cash. Also subject to above conditions, Canus Petroleums will underwrite 200,000 shares at 10c a share and will receive an option on 80,000 shares at 10c to 25c a share.

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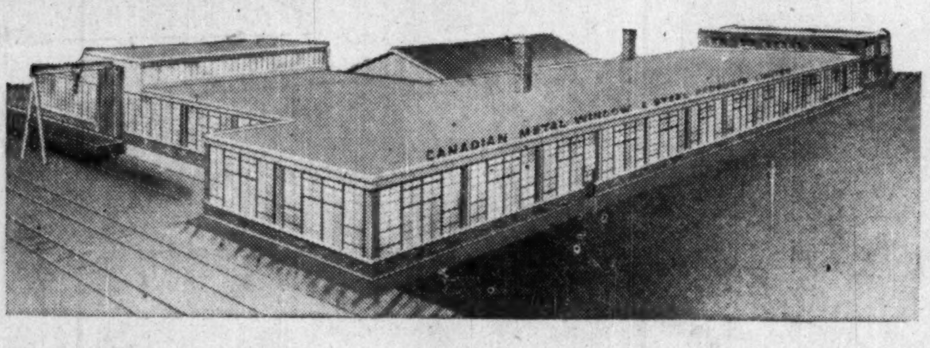

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139 Stephenson Ave. Toronto, Ontario

What's New

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Chair Climbs Stairs

Danish inventor's chair has caterpillar wheels to take even heavyweight aged, lamed or invalid up and down stairs without handpower. Otherwise it performs just like any other invalid chair, easily negotiates corners, curbing, icy ramps. Can climb stairs angled up to 45 degrees, is statement.

* * *

Converts Lawnmower

Clamps on lawnmower with pliers in three minutes, converts from man-operated to motor-driven, says U. S. maker of "Midgetractor" power unit.

* * *

Bars for Baby

"Gard-Rite" steel grille by U. S. maker fits over windows, conventional or steel casement type, to keep child from falling out.

* * *

Turns Worms

Fisherman's worms are always on top of molded phenolic plastic bait box 4 x 5 x 6 in., from Indiana maker. Counters worm's habit of crawling to bottom when angler must dig and stir. Worm is easily turned by closing new box, flipping it over. Leg brackets fold together as carrying handle; available too with poleholder clamp fastening to boat side.

* * *

Robot Office Boy

English mailing machine to be seen at British Industries Fair, London and Birmingham, folds, inserts, seals documents in envelopes ready for stamping at rate of over 3,000 an hour. Device stops machine moment it misfeeds.

* * *

Perky Coffeemaker

Retailing $15.95, fully automatic "West Bend" electric coffee percolator of Kitchener, Ont., maker perks in a minute, shuts off automatically then turns on just enough to keep hot till unplugged. Holds 6 to 8 cups. Secret of perking in less than minute from cold water start is special "pump" heating "thimbleful" at a time; double insulation prevents (a) heating all water at once, or (b) boiling.

* * *

Video Bus

"TV Coach" of Birmingham, Eng., maker has built-in video with 14-in. screen clearly visible to all 64 seated passengers. "Speeds the sceneryless night travel hours." Busload of football fans returning from Britain's Wembley Cup finals last month liked the innovation.

* * *

Home Alarm

"Alert Alarm" of Pittsburgh maker is powered by self-contained electric unit requiring no wiring, attaches inside door or window frame with two screws, sounds continuous, piercing alarm when disturbed. Plastic case in walnut, ivory finish. Retails $1.98.

* * *

Anti-Dazzle Lamp

Upward rays of light from lower half of motor lamp of London, Eng., inventor are "almost entirely eliminated." Unconventional reflector has lower half built in form of steps which deflect light down to road—"treads" of the steps incline downward toward their forward edges; "risers" incline rearward from upper to lower edges. Light rays from bulb and upper half of reflector "bounce off" roadward.

* * *

No-chassis Bus

"Integral construction" of Britain's Olympic passenger coach eliminates chassis, puts engine under floor and two or more extra seats where engine used to be. Three models in production for export seat 36, 40 and 44 varying in length from 29 ft. 3 in., to 34 ft. 6in.

* * *

Defoams Water Paint

"Foamrex S" is being used by paint industry as a defoamant in water-base paints, according to U. S. maker, a big oil concern. Permits use of emulsion equipment at full capacity, aids accurate measuring into containers, is claim.

* * *

Bar With Pedigree

In bar made from antique wood barrels (taken from ancient British men-o'-war) and old ships' navigation lamps, every component with a "personal" history according to English maker.

* * *

Tight Storage

Britain's "Foulkes" mobile storage system, according to London maker, in same floor area adds 47% more storage racks of same size, each easily accessible from wide central gangway. Puts "quart into pint pot" of parts, materials, stationery supplies, records with compartments sliding in grooved floor plates so that little or no corridor space need be provided between segments.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

UNITED KENO HILL MINES realized a net profit of $362,814 or 15 cents a share in 1949 (25 cents in 1948) although no production was carried on from June 11 to Oct. 24. During this period the mill destroyed by fire was replaced with a new 250-ton unit.

While no development was carried on during period of mill construction, ore reserve tonnage showed an increase of almost 80% as noted below.

Sales of 120,000 shares at $3.50 a share in December and the exercise of options on 300,000 shares at $1 a share provided additional funds for mill construction and working capital showed a slight increase to $587,037 at year end. Issued capital is now 2,420,00 shares.

Resumption of work is planned this summer to test the new No. 6 vein in the Keno section where an adit has already been driven. Most important of the year's mine results was discovery of a new parallel vein south of the main vein at the Hector mine which H. Brodie Hicks, manager, states appears to be of "major importance in ore production."

Some work in ore was done at both the Calumet and No Cash mines.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Production	$1,813,914	$2,083,578
Less: Oper. exp.	1,404,296	1,477,120
Oper. profit	409,618	606,458
Less: Depr.	......	64,053
Preprod. exp. w/o	......	34,116
Bond int.	25,000	14,743
Bank int.	21,804	......
Net profit & surplus	362,814	493,546
Earnings per Share	$0.15	$0.25
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Accts., etc., rec.	$200,463	$328,523
Concentrates	254,631	325,511
Inventories	589,275	329,393
Total curr. assets	1,044,369	983,427
Prep. insur.§	30,233	7,772
Def. chgs.	7,982	7,568
Misc. assets	70,073	70,068
Preprod. exp.	481,558	356,014
Mining prop.	561,850	453,100
Fixed assets*	1,515,835	690,706
Total assets	3,711,900	2,568,655
Bank loan & overdraft	309,443	284,047
Accts., etc., pay.	147,889	186,988
Total curr. liabs.	457,332	471,035
Funded debt	500,000	500,000
Capital stock	1,775,006	1,055,006
Earned surplus	979,562	542,614
*After depr. of	55,309	78,456
§Incl. in curr. assets in co's report.		
Working capital	587,037	312,392

OPERATING STATISTICS

	*1949	1948
Tons milled	29,494	37,593
Average recov.	$61.50	$55.42
Ore reserves, tons	203,177	115,473
Grade: Silver	45.6 oz.	53.8 oz.
Lead	7.9%	8.3%

*Milling was suspended from June 11 to Oct. 24, 1949.

ELK CREEK WATERWORKS CO. net profit for 1949 amounted to $16,506, compared with $15,550 in 1948. Gross revenue totaled $99,318 ($90,110).

Working capital rose to $47,853 ($27,330).

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Gross revenue	$99,318	$90,110
Net earnings	69,960	62,801
Less: Deprec.	25,830	22,920
Bond int.	18,591	14,264
Bank int.	493	405
Bd. exp. w/o	1,190	862
Income tax	7,350	8,800
Net prof. & surp.	16,506	15,550
Times Bond Interest Earned§:		
Before deprec.	3.74	4.37
After deprec.	2.35	2.77
§After bank interest.		
Earnings per Share and Dividend Record:		
Common	$0.31	$0.29
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$33,979	$4,216
Accts. rec.	3,571	8,996
Inventories	23,043	25,346
Total curr. assets	60,593	38,558
Prepaid exp.§	499	573
Cash with trustee	4,541	7,000
Misc. assets	24,965	20,347
Fixed assets	942,682	883,941
Total assets	1,033,280	950,419
Total curr. liabs.	12,740	11,228
Deprec. res.	344,852	330,509
Construct. contrib.	6,157	6,157
Bank loan	......	40,000
Funded debt	440,500	350,000
Capital stock	47,122	47,122
Capital surplus	106,030	106,030
Earned surplus	75,879	59,373
§Included in curr. assets in co's report.		
Working capital	47,853	27,330

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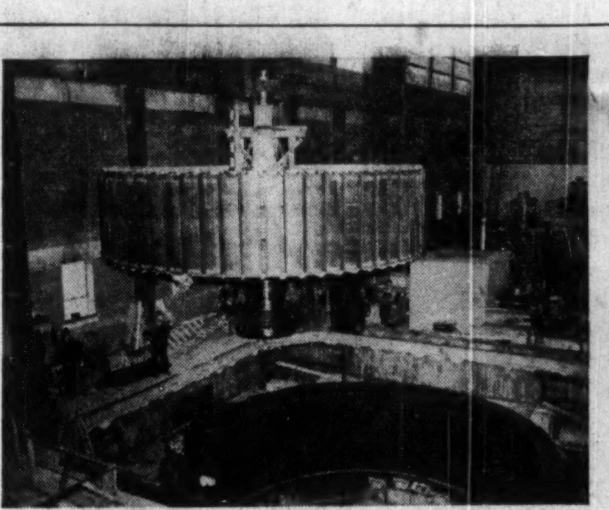
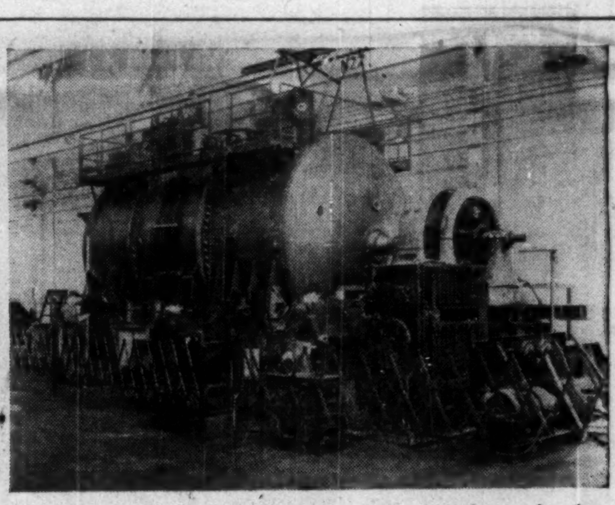
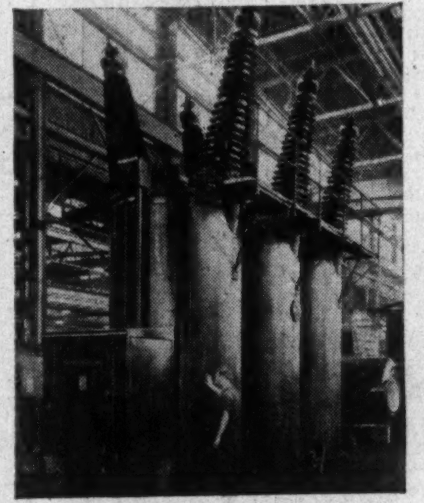


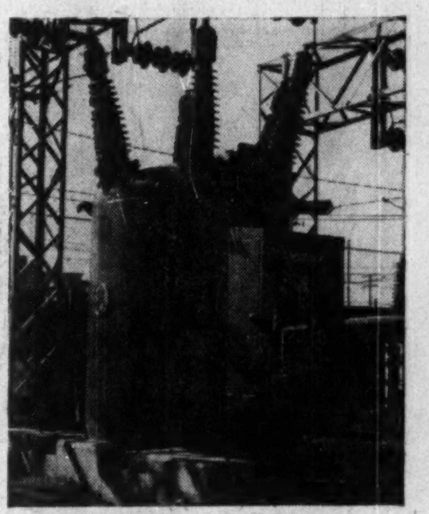
C-G-E Engineering Service Department installing a 62,500 kva G-E generator at the new Shawinigan Falls Station of Shawinigan Water and Power Co. Three of these generators were supplied.



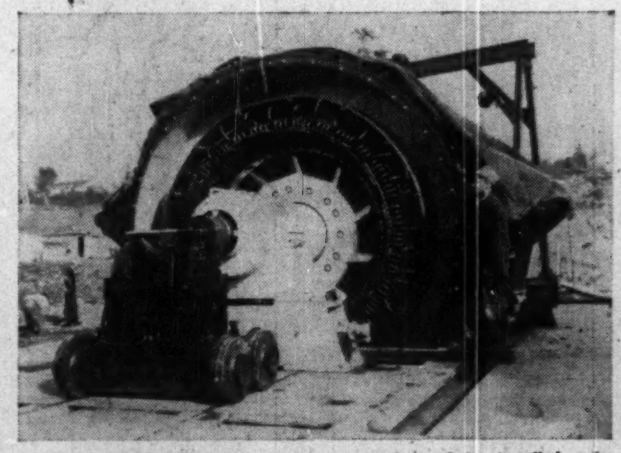
48,000 kva hydrogen-cooled outdoor synchronous condenser, for the Kipling Station of the HEPC of Ontario, on test at Peterborough Works, Canadian General Electric.



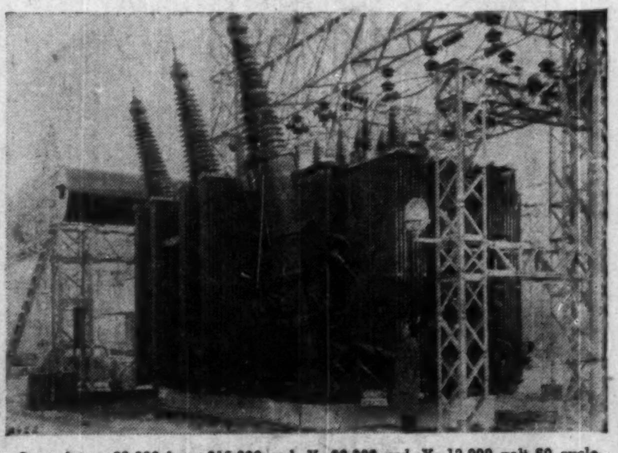
High-speed oil circuit breaker type K439, 230KV 5,000 MVA for the HEPC of Ontario. These have the highest rupturing capacity supplied in Canada.



Single-tank high-speed oil circuit breaker, type KSO, 138 KV, 2500 MVA, 5 cycle, at the Guy St. Station, Montreal of the Quebec Hydro-Electric Commission.



30,000 kva air-cooled outdoor synchronous condenser being installed at the Horne Payne substation of the B.C. Electric at Vancouver.



One of two 66,000 kva, 215,000 gsd. Y-80,000 grd. Y-12,000 volt 60 cycle G-E power transformers at the Horne Payne substation of the B.C. Electric. These are Canada's largest transformers.

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